THE FINANCIAL POST
OF CANADA

The Canadian Newspaper for Investors

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REGULATION OF PACKERS' PROFITS WILL STRANGLE THE HOG RAISING INDUSTRY

Confiscation of Earnings by Government Will Tend to Discourage Operation of Important Canadian Business.

LOWER PRICES FOR THIS COUNTRY'S HOGS

If Canadian Packers Are Not Allowed to Expand to Take Care of Increased Production of Livestock the Canadian Farmers Will Have to Take What American Packers Will Pay and Business Will Go Out of the Country.

THE government has decided to regulate the profits of the packing industry. Aside from the fact that we believe that this is nothing more or less than a political move to still a public cry on the eve of an election, and this a cry raised as the result of an agitation aimed at the president of the William Davies Company, let us consider what effect the legislation will have upon the consumer, the hog raiser and upon a business which has been a very important factor in Canadian prosperity.

THE FINANCIAL POST has made thorough and extensive inquiries into the whole situation and can only arrive at the conclusion that the step taken is very ill-considered. The call upon Canada to-day is greater production; it is her duty to the Empire and to herself. Hog raising is one of the industries which should be fostered. Yet it must be realized that there **can be no hog industry** without a packing industry and that the hog industry cannot expand unless the facilities for marketing also expand. Therefore, we find the illogical situation that the farmer is being asked to raise more hogs on the one hand, while on the other the packing industry is being placed in a position where it cannot be expected to grow.

The situation briefly is, that the consumer will get little or no benefit; that the packing industry will be stunted at a time when growth is very necessary, and that the hog raiser will eventually find his market price reduced. Canada will lose in the return to the agricultural community many times what can be saved to the consumer, while at the same time the competition of American packers will be encouraged, and money which has been coming into this country will be diverted to the United States.

The Argument of "Turnover."

Some time ago, when representative packers waited upon the new Union Cabinet, they strongly urged that the only fair and equitable basis for a fixed price was on a basis of turnover. They contended that as the Canadian packing industry represented only fifteen per cent. of the packing industry of the continent that it would be the part of wisdom to pause until some conclusion had been reached by the 85 per cent. of the trade, so that the Canadian industry should not be hopelessly handicapped in its competitive trade. Some of the members of the new cabinet, however, were evidently set on out-Heroding Herod and refused to believe that the American situation had any bearing on the case.

The packers then presented their proposed basis. This was 2½ per cent. of the turnover, which should be subject to the usual war taxes. In addition to this as the packers had been urged to increased production that would probably entail increases in plants not warranted by normal conditions, that there should be allowed ½ of 1 per cent. to meet these charges. If this amount were not used in this way within a space of two years it would then revert to the government. This proposition obviously did not meet with favor.

"Ashes" for the Public.

The general public will doubtless feel that great things have been accomplished, and that immediate declines in price are to be expected. There is little basis for this spirit of optimism. It is doubtful if the public will profit. It is doubtful, even if the whole of the profits of the packer were taken, whether there would be any material improvement in the situation as far as the Canadian consumer is concerned. The packers' profits are made on volume, and on the individual pound this profit is a negligible quantity.

It is stated on good authority that the saving would be less than 3-16 of

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PEACE BY CHRISTMAS

British-American Friction Being Created by Rich London Grafters — Lloyd George's Speech and Northcliffe's Letter Very Important Incidents and Far-reaching in Their Possible Effect.

LLOYD GEORGE'S speech in Paris and Lord Northcliffe's letter declining the new Air Ministry may rightly be classed as two of the most important incidents in the war. They confirm, once more, our policy in advocating these fearless, able men as the most essential for the winning of the war, and for lifting us out of the mess into which the intellectual, incompetent Asquith-Grey-Churchill-Balfour combination had got us.

Lloyd George really makes an appeal to the nation for support against the clique who would make an immediate peace on easy terms without winning the war. We believe that the offer of the Air Ministry was merely an excuse to enable Northcliffe to make public his views in a more impressive manner. A cabinet position is an office boy's job for a man of Northcliffe's broad capacity.

One cannot read the English papers during the last few weeks without being impressed with the development of peace at any price tendencies. One of the best informed writers (and there has been something uncanny about his pre-war and subsequent news that we do not like) has had two articles recently saying we will sure have peace by Christmas. Lloyd George stands in the way. He wants to, and believes we can, win the war and have permanent peace. Asquith is to come back and compromise a peace.

Let us pray for Lloyd George's success. Let us get Hughes of Australia back once more to awaken the nation. Let Canada send over a big, strong, able, fearless man like Sir Herbert Holt to present our views in his blunt, vigorous language. It was Hughes, more than any man, who forced Asquith out. It was Holt who first told us, in Canada, how badly the war was going.

It is to be much regretted that Northcliffe has not written more frankly—that he has not exposed the fearful rottenness of the idle rich and busy rich, highly-placed British grafters. He merely hints at it, and only those on the inside understand. We are trying to get permission to tell the actual facts, which we now hold in confidence. At the moment we can say this, that we believe that only the presence of Northcliffe in this country has prevented a falling out between the British and American authorities. Don't read this wrongly! It is not the splendid British people or our magnificent soldiers and sailors, but our highly placed, already wealthy London grafters with official support who turn American generosity and sacrifice into dollars and cents for their own personal bank account. A hint of this was hidden away in a recent Washington special, and passed unnoticed, save by those who know the state of affairs. Our impression is that Northcliffe's trip to London is in this connection. The situation is about as shameful as it can be. **Lloyd George and Northcliffe can depend upon the strongest backing of the worth-while Canadians.**

REVISING U. S. CUSTOMS.

Selling Rather Than Buying Price Suggested Basis.

With a view to obtaining the views of importing and exporting interests of the country upon the proposed revisions in the Customs Administration laws, a meeting of the United States Tariff Commission was held at the Custom House, New York, in the first week of November. Dr. Tausig conducted the meeting. E. A. Costigan and Special Expert C. E. McNabb with F. M. Halstead, Chief of Customs Division, U. S. Treasury, took an important part in the proceedings. Winthrop L. Marvin, Secretary of the National Association of Woolen Manufacturers, was present with other representative men in the woolen industry, and amongst the most important suggestions made was that of William Burgess of the Textile Alliance, to the effect that in future all tariff charges be figured on the American selling price instead of on the foreign value as at present.

WALL ST. BEARS CONTINUING TO PLAY WITH C.P.R.

Liquidation Has Been Gathering Force for Several Months.

500,000 SHARES TRADED

The Transactions Since Dominion Day Have Represented Over 20 Per Cent. of the Entire Common Stock Outstanding.

Special to The Financial Post

NEW YORK. — Canadian Pacific continues the plaything of the bears on the New York Stock Exchange. Up to the close of the market on Wednesday night liquidation which has been gathering force over an extended period continued at an abnormal rate. Indeed the volume of sales for the five days had exceeded that of the week previous. The week ending November 2 with a total sale of 137,500 shares was the heaviest of any week in the present liquidating movement.

Since Dominion Day over half a million of C.P.R. shares have been traded in on New York Stock Exchange alone. To Wednesday night's closing the total approximated 571,000 shares or 21 per cent. of the entire common stock of Canada's premier railway.

With the retirement of Barnard Baruch to a $1 a year Government job at Washington speculative selling of stocks is being attributed to the daring young Jesse Livermore. Baruch was known in the early months of the year as the premier bear on C.P.R.

Scarcely an encouraging word is heard in Wall Street regarding C.P.R. *The Journal of Commerce*, however, played up Lord Shaughnessy's statement that the C.P.R. would take $5,000,000 of Victory bonds or $10,000,000 if $300,000,000 was raised by Canada's fourth domestic loan. It was made clear that the C.P.R.'s cash coffers were rich and overflowing.

With C.P.R. down to a new low at 130⅜ it was necessary to hark back a period of 13 years to 1904 when such quotations for the stock had been witnessed. The *Wall Street Journal* rose to remark: "It had been understood that liquidation for foreign account was ended last week. The stock acted however, as if liquidation had been renewed."

But on top of Lord Shaughnessy's revelation that the C.P.R. had been so amply supplied that the company could loan the Canadian and British Governments a sum in excess of 70 million dollars the following from the New York *Sun* shows the temper of operators in this market:

"Notwithstanding that Canadian Pacific has declined from a high price of 167⅜ made on March 23 of this year there are many speculators in the financial district who are willing to bet that it will depreciate to at least 125 before liquidation in that issue ceases. One of these believers felt so confident early yesterday morning that the stock would decline during the session that he bet $1,000 against $100 that it would sell at $130 before the close. The bottom figure touched was 130⅜."

CONFIRMATION OF POST'S REPORT OF U.S. SHELL ORDERS

Official Announcement Now Being Made re New Business.

THE BUSINESS OUTLOOK

Victory Loan is Occupying All Attention for the Time Being—Indications for Continued Moderate Prosperity.

Further information regarding the placing of American munitions orders in Canada, from authoritative and official sources, serves to confirm the advance announcements which have been made in these columns regarding the extent and importance of this business. THE FINANCIAL POST is in a position to state that, while the orders which have been definitely placed do not as yet total $50,000,000, that amount will be reached shortly. Further the outlook is that orders will continue indefinitely and the total should run from $100,000,000 to $200,000,000 at least according to the trend of events. This business is being handled by the Imperial Munitions Board on a small percentage basis to cover clerical and other expenses.

It must not be supposed however, that the American business is flowing into Canada in a great wave. What orders we receive we must secure in competition with American makers. For this reason only the plants which have been well organized will be in a position to handle the business to advantage.

THE FINANCIAL POST has received from Western Canada a telegram asking information with regard to possibilities for new orders for shell plants in the West. The inquiries have been referred to Lloyd Harris, who next week opens an office for the Imperial Munitions Board in the United States. It is doubtful, however, if plants so far from supplies of materials and from points of delivery will be in a position to meet the conditions under which these orders are being placed.

Despatches from Washington published Friday refer to the fact that the American government has distributed orders for 21,000,000 seventy-five millimetre shells, of which some 7,000,000 shells will be turned out in Canada. This coincides with information secured at Ottawa and at Washington by representatives of THE FINANCIAL POST early last week. Since that time additional information from both American and Canadian sources has been secured, and it indicates that, as previously stated, the orders will continue for a reasonable period and may eventually reach a huge total.

Some twelve or fifteen Canadian plants are now engaged on these orders but the steel industry in this country will not secure any great benefit from the fact that the forgings are being supplied by American steel plants. There are indications, however, that there may be a change in this connection in favor of Canadian steel manufacturers.

The Business Situation.

With the exception of these American orders, there are no important developments in the business situation or outlook. In fact, for the time being, business has seemingly taken a second place to the Victory Loan. The success of the loan itself will have a direct bearing upon the business situation, for the larger its total the greater will be the amounts available for the extension of credits to Great Britain and her Allies for the purchase of Canadian agricultural and manufactured products.

Altogether, while the recent developments in the war theatre have given a more serious complexion to the whole situation and this has been reflected in the attitude of the people, there is no indication but that prosperity will continue so long as the war lasts, with attendant demands for war supplies and its high prices for agricultural products. Further the present depression is an indication of a readjustment looking to the day when war prosperity will no longer prevail.

There is one new danger making itself evident and that is the attitude of the government in relation to packing. This legislation is obviously of a character to discourage the expansion of a very important industry—an industry which is a big factor in national prosperity—and, if it is followed by further action in the same direction, may do much to cripple business development.

COAL ROBBERY.

Supplies Being Forcibly Taken From Cars En Route.

Wholesale coal robbery in Ohio has been unearthed by the United States Fuel Administration. In some places railroad tracks have been torn up, through freights stopped, and loaded coal cars confiscated. In other places cars of coal have been taken from sidings. The thefts have been directed by mayors and city officials of towns which have been allowed only enough coal for their immediate needs and where the people had become restive from seeing hundreds of coal trains go rattling through the State headed for Lake ports and the North-west.

VICTORY LOAN IS OFF TO A GOOD START

Over $55,000,000 Subscribed During the Early Days of the Week.

RETURNS ARE INCOMPLETE

On the Basis of This Week's Performance the Dominion Objective of Three Hundred Millions Should be Easily Reached.

Returns received at Victory Loan Dominion headquarters in Toronto, up to the hour THE FINANCIAL POST went to press, showed a grand total of $55,725,500. In only the case of Ontario and Saskatchewan were four days covered, other provinces reporting for one, two or three days. Assuming that these provinces maintained their average for the balance of the first four days of the week, the aggregate for all Canada should easily reach $70,000,000 and, if this average is maintained throughout the 18 days of the campaign, the grand total of subscriptions should readily exceed the $300,000,000 objective.

Provincial totals were recorded as follows:—

Nova Scotia (2 days)	$ 2,997,150
New Brunswick (3 days)	1,296,300
P. E. Island (3 days)	381,600
Quebec (1 day)	503,100
Ontario (4 days)	33,814,700
Manitoba (3 days)	5,480,050
Saskatchewan (4 days)	1,985,400
British Columbia (2 days)	1,233,900
S. Alberta (3 days)	1,294,100
N. Alberta (3 days)	424,350
Montreal City and Island (1 day)	6,314,850
	$55,725,500

The banner counties in Ontario are Leeds and Grenville with $808,700; Wellington, $602,100; Frontenac, $598,250; Essex, $568,650; Kent, $550,000; Oxford, $533,000; Hastings, $491,050.

"Everything is going splendidly," declared Norman Sommerville, chief organizer for Ontario. "The spirit everywhere is fine. Toronto is a little weak so far, but Hamilton, London, Ottawa, Kingston and the other cities are showing a splendid spirit and will go well ahead of their objectives. No, it won't be a case of a big spurt at first and then a falling-off. The total will be rolled up steadily and surely."

It is being pointed out that if only the $300,000,000 objective is reached, it will not be necessary for the Government to make another appeal to the people for twelve months. This is most desirable for the sake of business in general, as it will give the ordinary financial affairs of the country a chance to rehabilitate themselves, in part at least. And there is another consideration. Under the arrangement by which subscribers extend their payments over twelve months, the vast majority of the subscribers to the present loan will not be in a position to invest in another loan until next fall. This makes it all the more necessary that enough money be pledged now to suffice for a twelve-month.

THE FINANCIAL POST'S Montreal office reports that the total for Quebec Province—Friday, 3 p.m.—is $14,929,050. Of this amount Montreal City and Island contributes $13,898,400.

AUTOMOBILES HAVE HELPED OUT ON FARM

Passenger Cars and Trucks a Factor in Greater Production.

SASK. LIVESTOCK INCREASES

Small Farmers Fear an Auto Tax—Prairies Increase Sheep and — Swine—Livestock Shows Promise Well.

By F. M. CHAPMAN,
Editor, "The Farmer's Magazine."

Farm returns for Canada will be seriously lessened in 1918, unless a concerted effort is made to retain on the farm every experienced farmer that was employed there this year. The conditions in the country are such that production is liable to take a decided slump in the wrong direction if more intelligent sympathy with rural problems is not shown. The city helper is some good on the farm, but he does not help out in real production at all as well as the farm lad. Ontario, according to recent statistics from the Department of Agriculture, made a big increase in her acreage last year, despite the big drop caused by the failure of the winter wheat crop. The increases in leading crops were: Spring wheat, 38,600 acres; oats, 73,593 acres; beans, 60,786 acres; buckwheat, 75,700 acres; and potatoes, 6,900 acres.

Against this increase we have had a late harvest, with little fall plowing done. That means man power next spring to right things. Traction and mechanical power can help wonderfully. And perhaps the move should be made now to assist in the placing of more power machinery at the disposal of farmers early in the season.

Some of this increase in acreage was due to the efforts of suburbanites, but this is almost a negligible quantity as far as national returns are concerned. It helps out in releasing more wheat and beans for the Allies.

The way auto trucks and small cars have contributed to saving farm crops this year is a feature of note. By the use of delivery trucks and good roads farmers have sent in thousands of tons of foodstuffs that would have been practically wasted otherwise. Any move to tax or hinder their use or the use of small cars on the farms next year will check production by that amount. Mechanical power, in tractors, big implements, automobiles, auto trucks, gasoline engines and pure seed, are going to be powerful agents in boosting Canadian production next year.

Saskatchewan's Livestock.

The Saskatchewan Provincial Government has tabled returns on livestock for 1917 as compared with 1916. That the prairie farms are producing increasing numbers of animals as well as keeping up wheat production is a worthy feature of the report. Here is the comparison:

Livestock	1916	1917
Horses and Mules	841,907	888,673
Cows	322,185	354,408
Other Cattle	689,208	856,687
Sheep	124,237	127,892
Swine	530,727	573,938
Hens and Chickens	4,418,100	7,392,717
Turkeys	98,797	204,322
Geese	37,460	93,780
Ducks	60,983	156,922

Preparations are going on for bumper livestock shows at many Canadian points this year. Next week the Hamilton Board of Trade is meeting to discuss a possibility of something there. Secretary Wade, of Guelph, reports a bigger entry list than usual for the Royal Show at Guelph. The big arena in Regina is being made ready for a big Western show. In all cases the need for the production of more bacon in Canada is being featured. Sheep farming is also being increased, especially on the prairies.

Trade between the United States and South America is three times as great as in the year before the war. A compilation by the National City Bank of New York shows that the total exports to that continent in the eight months ending with August (the latest month for which figures are available) aggregated $188,000,000 against $65,000,000 in the same months of 1914; and the imports from South America were $433,000,000 against $157,000,000 in the same months of 1914. Thus the total trade with that continent in the eight months of 1917 was $620,000,000 against $222,000,000 in the corresponding months of 1914.

Canada's Victory Loan

Is issued in bonds of $50 and upwards, pays over 5½% interest, and is the safest investment in Canada. Patriotism demands that every one shall purchase to the limit of his means.

The Bank of Montreal

at all branches, is prepared to furnish information and assistance to purchasers, particularly those having small sums and who are not accustomed to the purchase of bonds.

Canada's Victory Loan

The Bonds of the above Issue run in denominations of $50.00 and multiples thereof.

Yielding in excess of 5½% interest, they provide an absolutely safe and profitable investment and afford, at the same time, an opportunity for the exercise of Patriotism and Duty on the part of purchasers.

This Bank is prepared to receive subscriptions for and to make advances, upon favourable terms, against these Bonds.

The Merchants Bank of Canada

Canada's Victory Loan

Every citizen, who can possibly do so, should subscribe to the Victory Loan.

To assist intending subscribers, the Bank will make advances for moderate amounts on favourable terms for the purchase of the above Bonds.

We will be glad to accept subscriptions, and attend to details. We will keep your bonds in safe custody on your account, free of charge, for one year.

For particulars apply to any Branch of

THE BANK OF
BRITISH NORTH AMERICA

THE
STANDARD BANK
OF CANADA
HEAD OFFICE - TORONTO
A GENERAL BANKING BUSINESS TRANSACTED
SAVINGS DEPARTMENT
AT ALL BRANCHES
EST'D 1873

THE LONDON CITY & MIDLAND
BANK LIMITED
HEAD OFFICE: 5, THREADNEEDLE ST., LONDON, E.C. 2
FOREIGN BRANCH OFFICE: 8, FINCH LANE, LONDON, E.C. 3
($5 = £1.)
Subscribed Capital $114,739,020
Paid-up Capital.... .... $ 23,903,960
Reserve Fund .... $ 20,000,000
Deposits $966,110,435
Cash Reserves $241,454,680
Bills of Exchange $111,760,185
This Bank has Branches in all the Camps where Canadian Troops are stationed in England.
Sir EDWARD H. HOLDEN, Bart., *Chairman*.

THE MOLSONS BANK
Incorporated by Act of Parliament 1855
Paid Up Capital - - - $4,000,000
Reserve Fund - - - - 4,800,000
Head Office, Montreal
Besides its 98 Branches in Canada, the Molsons Bank has agencies or representatives in almost all the large cities in the different countries of the world, offering its clients every facility for promptly transacting business in every quarter of the globe.
Edward C. Pratt, General Manager

NEWS OF SECURITIES — Markets Very Dull

FOR some time the Canadian investment situation has been in a state bordering on inertia, especially so far as the stock exchanges are concerned, and this condition has been emphasized during the current week. With the minimum prices checking sales, with investment interest centered on the Victory Loan and with the professional trading element devoting its attention to the loan campaign, there has been little to stimulate interest in the stock situation. Nor have outside influences provided inspiration. Early in the week there was a somewhat improved tone in New York with the better war news—of cessation of bad news—but this was short lived and the influence of uncertainty and apprehension as regards industrial adjustments, taxation, etc., again made themselves felt, with the result, so far as the Canadian markets were concerned, that many of the stocks again took refuge behind the minimum barrier. In this connection opinion in favor of the step taken by the Montreal exchange grows. Not only has the barrier prevented further forced liquidation, but it has permitted the brokers to give their attention to the war loan when they might otherwise have had to devote themselves to the market.

So far as the outlook is concerned there does not appear to have been any material change, except that, with further unfavorable outside influences, the period of readjustment seems to be still further deferred. When readjustment may come or what may be the conditions in the meantime, are matters for conjecture, but there can be little doubt but that from the standpoint of intrinsic value the whole list is more or less off color and this particularly applies to the better class of investment securities. Public opinion appears to have been stampeded to the extent that it offers little support and anything like a movement for realization is likely to reveal a surprising lack of resistance.

Hayden, Stone & Co., New York.—Aside from the basic influence of the destruction of wealth and increasing cost of capital, the two factors immediately responsible for liquidation, in our opinion, are: first, the reverses of the Allied army abroad; and, secondly, the very heavy burden laid on property and production. The first is obviously beyond our control; the second is not altogether so. There is, undoubtedly, a feeling that property and producing interests should not be made to bear the whole financial burden, that consumption, as well as production, should pay its share; that no part of the country should benefit at the expense of another; that labor should contribute, as well as capital. A feeling that the burden has not been altogether equally distributed has rankled.

Henry Clews & Co., New York.—It is decidedly premature to assume that the effect of the war upon finance and trade has been fully discounted. It doubtless has been very largely discounted, and, whatever the immediate uncertainties, the outlook for the long pull has been made distinctly safer by the drastic liquidation which has been in progress since the war began.

J. S. Bache & Co., New York.—There has been considerable liquidation forced upon the market by circumstances, and there may be more of it from time to time, but whatever exigencies of liquidation are necessitated where stocks are carried on insufficient margin, this is emphatically not a time for outright owners of securities to dispose of them. The man who has good stocks now which are paid for and does not keep them, has no right to have any. It is especially a time for those who have money awaiting investment or otherwise available to buy good securities outright.

Greenshields & Co., Montreal.—With all considerations in the investment markets becoming more subordinated to war financing the market values of older securities have continued to shrink. The selling pressure from investors has been slight, but prices have continued downward under forced selling of speculative holdings, combined with neglect from buyers. New capital continues to be reserved for war loans.

STEEL

The Minimum Prices Protect the Steel Issues in Which the Trading is Quiet.

By P. BAIN, M.E.,
Editor Canadian Machinery.

The minimum prices have proved an effectual barrier against further declines in values and have also served to protect the market from New York influence. The New York market has for the most part been weak with considerable fluctuation and a downward tendency in prices. But for the minimum prices there would most probably have been considerable liquidation and a further recession in Montreal and Toronto. Prices have been hanging around the minimum all the week with no change to speak of.

There have been no further developments in regard to shell orders from Washington. Orders for 75 millimetre shells are assured but no information respecting larger sizes has been given out, although it is possible that ultimately further orders will materialize. The orders from the U. S. Government will not benefit the steel trade as it is understood that the steel will be supplied by the mills in the States. A considerable proportion of the new war loan will doubtless be appropriated for shells for the British Government which will mean continued activity in the munitions industry. It is probable that the new orders will be largely for 6 in. shells although further contracts for shrapnel are not unlikely.

Nothing of importance has occurred locally during the week to change conditions in the steel trade although recent developments in the United States may ultimately affect the market in Canada. The high prices and uncertainty of the past few months have had a detrimental affect on business with the result that the situation at the mills is easier in regard to their unfilled tonnage commitments. They still have considerable business on hand, however, and the outlook continues good, especially in view of further shell contracts which will mean more business for the steel makers.

There have been no further developments in regard to the embargo. There does not appear to be any difficulty in getting steel from the States for shipbuilding and war purposes generally, but for ordinary commercial purposes it is difficult to obtain a license. In view of what is happening in the States such a condition is only what might be expected and it is unlikely that there will be any improvement in this respect for some considerable time. There is a shortage of steel for commercial purposes which threatens to become more acute as time passes owing to the increase in demand for purely war purposes. Now that prices on the principal steel products have been fixed at Washington, the market has become more settled, although consumers are not as yet buying at all heavily as they look for lower prices.

	Close, Nov. 8	Close, Nov. 15	Change
Can. Car	18½	18½	..
Do., pref.	49½	49½	..
Can. Loco., com.	58	58	..
Do., pref.	84½	85½	+ 1
Gen. Elec.	101½	101½	..
Dom. Bridge ...	128	128	..
Dom. Iron, pref.	88	88	..
Dom. Steel	52½	53	+ ½
N.S. Steel, com.	79½	79½	..
N. Stl. Car, pr..	17	17	..
Stl. of Can. com.	49½	50	+ ½
Do., pref.	85¼	84½	— ¾
Rus. Motor, com.	50	50	..
Ont. Steel, com.	22½	22½	..

NOVA SCOTIA.

Scotia has been very quiet all the week with the stock stationary at 79½, the minimum price. The company will benefit materially by the revival in the munitions industry as they have restarted operations at their shell plant.

DOMINION STEEL.

Dominion Steel stock has failed to respond to the dividend increase although the stock has been as high as 53, it did not hold at the advance and has been for the most part either at the minimum price or just above it.

FOUNDRIES & FORGINGS.

At a special meeting of the directors of Canada Foundries and Forgings held recently it was decided to subscribe for $200,000 of war loan which increases their holdings in these securities by 100 per cent. In addition to the marine forgings which the company are producing in large numbers, they have also large shell forging contracts. This stock has been inactive lately and is stationary at the minimum price 148.

DOMINION BRIDGE.

The outlook for the Dominion Bridge Co. has brightened, the latest development being a large contract for fabricating structural steel for the American International Shipbuilding Corporation of New York. The steel, it is understood, is to be used in building ships for the U. S. Government. It is stated that the orders amount to 40,000 tons of steel plates and shapes and that the fabrication will take up the entire capacity of the Montreal and Toronto plants for several months. The latest report concerning this company's affairs is that the installation of a forging plant is contemplated. It is to be used among the purposes for the production of marine forgings. Bridge is one of the concerns which have secured a contract for 75 mm. shells. The stock has been stationary at 123, the minimum price.

Speaking of the American order, Phelps Johnston, president of the Dominion Bridge Company, stated to THE FINANCIAL POST that this would make the shops busy for the first time in four years. A new principle had been adopted by the U.S. Government in giving this order. Ordinarily the work was done at the shipyards where the boat was being constructed. "But now there may be a dozen shops fabricating the materials, and in this way the services of shops all over the country are utilized." Deliveries of steel would be made under special arrangements, and work on the new contract would begin without delay.

Mr. Johnston explained that the majority of the men who had been engaged in making shells could be used in fabricating the steel for the U.S. vessels, and although the shell orders had declined more men would be employed at the shops than when the shell orders were in "full tilt."

Speaking of the Quebec Bridge, Mr. Johnston stated that freight trains would be running over early in the spring, although it would be August before the painting was finally completed and the bridge handed over to the Government. Thus it would be next midsummer at least before the final payments on the bridge would be available for Dominion Bridge Company.

STEEL OF CANADA.

The Steel Co. of Canada will likely participate in a considerable volume of war business that is and will be offering. In addition to the contract for 75 mm. shells, orders have been received for shell steel, while the company's forging plant will doubtless be utilized for the production of ship forgings, etc. The company's plant is equipped to turn out large forgings such as stern frames, cranks, etc. Work has been started on the new coke ovens at Hamilton; altogether some eighty of these ovens are to be built. They are of the most modern type and will have a capacity of from 300,000 tons to 400,000 tons per annum. It is expected that the process of turning the coal into coke will give by-products of considerable value to the company. The work of construction will be carried on as speedily as possible. Further information regarding the ore and coal properties in which the company is interested has been available lately, but as yet it is difficult to predict to what extent the net earnings of the company will be increased by the new arrangement. It is learned that the ore property is in the Lake Superior district, while the coal property is in Pennsylvania. The arrangement in each instance is of much the same nature, consisting of an arrangement between the Steel Co. of Canada and other concerns, by which these properties shall be operated in such a manner that the various companies will be able to obtain from them their supplies of coal and iron. Development of these properties is going ahead. The stock has been more or less inactive recently and has been at or very close to the minimum all the week.

CANADIAN LOCOMOTIVE.

The Grand Trunk has just received delivery of six Mikado type locomotives from the Canadian Locomotive Company at Kingston, Ont. These giant engines have been placed in service on the Canadian lines of the railway. Nine additional locomotives are on order, five of these being for Western lines. Including tender these Mikados weigh 441,800 lbs., and can haul a train of six thousand tons. They cost approximately $50,000 each, an advance of fifty per cent. over pre-war prices.

MONTREAL LOCOMOTIVE.

Both in Richmond, Va., and Montreal plants of the American Locomotive Co. will be turning out engines in considerable numbers by the beginning of December and the company will go into the new year with capacity production.

Earnings are estimated at between $8 and $10 a share on the common stock for the half year ending Dec. 31. This is lower than in either half of the 1916-17 fiscal period, and is due to the fact that in the September quarter both the plants were practically non-productive. These plants had been manufacturing munitions, completing their orders in August.

It was not until well into the current quarter that these plants were prepared to produce locomotives in sufficient volume to have any material effect on profits, and even now they are some way from full capacity operations.

American Locomotive is now turning out about 45 engines weekly, or between seven and eight a day. These engines, however, are large and the gross output probably represents a business of close to $10,000,000 a month. With all plants in full swing next year gross output of engines should be increased possibly 20 per cent.

Just how much business American Locomotive now has on hand is problematical, as the company has received orders to reserve space for possibly $30,000,000 worth of business from domestic roads, but these orders are not considered as booked until prices are made and delivery periods definitely set. Excluding these orders, but including the $40,000,000 Russian order which, it is understood, was placed recently, orders on hand probably approximate $100,000,000.

MILLING

Delay in Setting Price on Flour Gives Market Opportunity to Adjust Itself.

By J. L. RUTLEDGE,
Editor Canadian Grocer.

The proposal to set the price on flour is beginning to lose its effect, though there is still a tendency in some quarters to hang back and delay buying in anticipation of a lower market. Supplies have been generally so depleted that many buyers have been forced into the market almost against their will, and as a result present business is about up to the capacity of the mills.

As far as the possibilities of price fixing go authorities generally agree that there is little likelihood of any material change. Since the fixing of wheat prices the influence of competition has forced flour prices pretty well down to as low a level as is possible, and it is not thought likely that the fixed price can mean any further decline. In all lines of cereals there is a brisk movement and the supply of mill feeds is actually hardly equal to the demand. In fact some mills have contracted well into the future in this regard.

Generally speaking, while profits are comparatively small, business is of a first class order and there is a moderate feeling of optimism in milling circles.

The export situation too seems to be somewhat improved, and there is apparently a good movement across the water, though the general scarcity of tonnage always remains a disturbing factor.

ST. LAWRENCE FLOUR.

The application of the St. Lawrence Flour Mills Co. has passed the Listing Committee of the Montreal Stock Exchange and all that remains before the actual listing is the engraving of the certificates. This is likely to cause a delay of a couple of months. As with most flour mills these days St. Lawrence has all the business that it can handle, the president, T. Williamson, told THE FINANCIAL POST. The preferred stock amounts to $577,500, and the common, on which 5 per cent. was declared a few weeks ago, amounting to $1,200,000, is all issued, as authorized.

WESTERN CANADA FLOUR.

The Western Canada Flour Mills Company, like most of the other milling companies, have about all the business that they are able to handle. Difficulties of getting sufficient cars to handle both the raw and the finished product has been a matter of some concern to the company for some little time past, but it has not reached serious enough proportions to undermine the generally satisfactory business conditions that have prevailed.

INTERNATIONAL MILLING.

The mills of this company on both sides of the border are reported to be working at full capacity, and they are finding a ready market for all their product.

OGILVIE MILLING.

While there is a feeling of surprise that no announcement has come from Ottawa of the intentions and decision of the Food Controller as to the fixing of a price for flour, the Ogilvie Flour Mills Co. continue to run to the limit of their capacity as they did last year. The purchasing for export is quite satisfactory and takes care of any surplus that the mills pile up. The domestic demand on the other hand also keeps up, and as a matter of fact the mills are behind in their deliveries for local account. According to the regulations of the Food Controller the mills cannot contract with the bakers for more than one month's supplies.

Trading in the stocks of the company was very light during the past week, but there was no indication of any unfavorable feeling. What sales were made were recorded at the 140 figure that has prevailed for some weeks past. There were no sales in the preferred. The last sale having been made at 110.

LAKE OF THE WOODS.

An official of the Lake of the Woods Milling Company stated to THE FINANCIAL POST that domestic orders were quite brisk, and the delay at Ottawa apparently had had no effect upon the buyers. "The Wheat Export Company is taking all that we can supply them with, and we presume that they are finding bottoms for transporting this to England and France." There is a fair, though not large, profit on this export trade.

No buyers were recorded in either common or preferred stock during the week. The last sales recorded were 120½ for the common and 116 for the preferred.

MAPLE LEAF.

The announcement that the Maple Leaf Milling Company and its subsidiary company, the Hedley Shaw Milling Company, had decided to purchase half a million of Victory bonds, and to distribute half of this amount to the holders of their common stock was another indication of the unusually profitable year that the milling companies have enjoyed.

This new dividend of 10 per cent. payable on December 20 to all shareholders of record of December 1 brings the actual dividends paid by the company to the handsome total of 22½ per cent. This was made up of the increase of the regular dividend from 8 to 10 per cent. and the extra dividend of 1½ per cent. declared last quarter.

The trading in the stocks of the company for the past week was brisker than it has been for some weeks past. The trading of Saturday last was light and at the 98½ figure of the preceding week. Monday's trading improved somewhat with a slightly better figure owing to some rumor of the proposed action of the directors of the company. The declaration of this extra dividend sent the trading up to a still larger figure and the bulk of the sales were recorded at 101, a total of 2½ points over the opening figure for the week. The preferred stock though not affected by the dividend also showed a greater activity, the range for the week being from 92 to 92½.

MINING STOCKS

Trading Still on a Limited Scale, With Prices Easing Off Still Further.

Neither as regards volume of trading nor position of prices has there been any improvement over last week. The daily average of sales on the Standard Exchange was 52,956 shares, as compared with 50,918 shares last week and 57,772 shares the previous week. While brokers are diverting their attention to the sale of Victory Bonds, and the investing public is likewise absorbed in the bond flotation, it is not to be expected that much interest can be taken in mining stocks.

The following table illustrates the trend of business from day to day. It also shows how the price of bar silver is again weakening:

	Transactions in shares	Price of Bar silver
Friday, Nov. 9	55,025	86⅛c
Saturday, Nov. 10.	51,467	86⅛c
Monday, Nov. 12...	49,325	86⅛c
Tuesday, Nov. 13..	46,785	86 c
Wednesd'y, Nov. 14	67,916	86 c
Thursday, Nov. 15.	47,218	85¾c

In connection with the price of silver, it is reported from Washington that the Governments of Great Britain and the United States are co-operating to prevent the competition of purchases by foreign governments from raising prices to the point where coinage becomes unprofitable. The Governments of the two countries will virtually control the silver market for a year at a price slightly lower than the prevailing rate of 86 cents an ounce. This plan does not contemplate the cutting off of supplies from jewelers and other users of silver in industry. The Governments would use only part of the metal under contract for coinage, releasing the balance for normal industrial purposes. One of the chief results would be to place restrictions on the export of silver to Oriental countries."

Prices for the week of practically all mining shares have declined, as will be observed by reference to the following table:

	Close, Nov.8	Close, Nov. 15	Change
Adanac	.12	.11½	— .00½
Beaver	.32	.30¾	— .01¼
Dome	7.35	7.15	— .20
Dome Ex.	.10	.09¾	— .00¼
Hargraves ...	.08½	.08½	...
Hollinger	4.75	4.50	— .25
McIntyre	1.32	1.32	...
Nipissing	7.70	7.75	+ .05
Vipond	.20	.19¼	— .00¾
Newray	.49	.46	— .03
Timiskaming..	.26	.25¼	— .00¾
West Dome ..	.14½	.13	— .01½

Ore shipments from the Cobalt camp last week were on a considerably smaller scale than the previous week, when 1,382,324 pounds were shipped. Only four mines were represented in the list:

Shipper—	Cars	Pounds
Mining Corp.	4	266,773
Buffalo	3	262,240
Coniagas	3	237,329
Trethewey	1	76,304
Totals	11	842,646

Bullion shipments for the week were:

Shipper.	Car	Ounces	Value
Nipissing	123	160,240.05	$147,420.85
Mining Corp..	75	74,785.74	63,941.81
Totals	198	235,025.79	$211,362.66

Labor conditions in the Porcupine camp are reported to be much better than for several months past. Labor unrest has been dissipated and labor shortage is gradually being overcome.

DOME MINES.

According to a report from Porcupine this week, Dome Mines are asking for tenders for the sinking of the main shaft to a depth of 1,500 feet. It is anticipated that the contract system will be used, as the staff at the mine is very much depleted. About 200 men are at work, whereas in normal times close to 700 men find employment on the property. It is expected that values on the Dome will increase with depth, as has been the case with other Porcupine properties.

Dome Mines shares have been weak, selling down from 7.50 to 6.90, with a close on Thursday at the latter figure.

KERR LAKE.

At a special meeting on Monday, shareholders of the Kerr Lake Mining Company voted to dissolve the existing company and reincorporate under the laws of Canada. Shareholders in the old company will receive share for share in the new corporation. In taking this action, Kerr Lake follows the course adopted by other Cobalt companies, who are thus seeking to escape double war taxation. The capitalization remains the same as before, viz., $3,000,000, being 600,000 shares of a par value of $5.00.

Production of silver at the Kerr Lake mine in October amounted to 213,802 ounces, which is the highest since June, when the total was 251,367 ounces.

The total production for the year 1916 at the Kerr Lake amounted to 2,535,724 ounces, and for the ten months to date of the current year totals 2,190,775 ounces. It may reasonably be expected that the present rate of production will be continued during the remainder of the year, and if such be the case the record of last year will likely be exceeded by a few thousand ounces. When it is borne in mind that the value of the output for the present year will exceed that of last year by about 30 per cent., with the price of silver averaging about 80c per ounce for the current year, the value of the output from the Kerr Lake will probably exceed $2,000,000. Generally speaking, the physical condition of the mine is excellent, and the extent of ore being developed in a number of stopes is exceeding the expectations of the management.

LA ROSE.

A special meeting of the shareholders of La Rose Consolidated Mines Co. has been called for December 10, at Augusta, Me., for the purpose of dissolving the United States holding company and reducing the capital from $7,500,000 to $1,500,000. The reduction in capitalization, the directors say, will be made "in order to have the nominal value of its capital stock fairly represent the present value of its assets." This reduction in capitalization will facilitate the distribution of stock of the operating company among shareholders of the La Rose by enabling the exchange to be made on a share for share basis.

La Rose shares have sold off this week from a high of 40 to a low of 33, the close on Thursday being at 34.

NEWRAY.

Newray shareholders last week endorsed the deal to turn control of the mine over to the Crown Reserve interests and agreed to an enlargement of the capital stock from $1,500,000 to $3,000,000. Of a total of about 900,000 shares represented at the meeting only approximately 6,000 were voted against the proposals. The arrangement is that the Crown Reserve Company will gradually take up their share of Newray stock, as they spend money on the property. As long as they make the minimum payments each period they may go on until they have possession of 60% of the Newray stock. Otherwise the contract becomes void.

Operations on the Newray have been directed since November 1 by Maurice Summerhayes, manager for several years of the Porcupine Crown mines. Preparations have been made for delivering a large amount of hydro-electric power to both Newray and Porcupine Crown, and operations will be carried on on a more extensive scale than heretofore.

Trading in Newray shares, which has always been an everyday feature on the mining market, has been at a standstill this week. The last sale on November 9 was at 46.

NIPISSING.

During October, the Nipissing mined ore of an estimated value of $306,167 and shipped products from Nipissing and custom ores of an estimated net value of $335,386. General operations underground continued to be of the usual nature and amount. The high grade mill treated 205 tons and shipped 327,383 ounces of silver. The low grade mill treated 7,233 tons. While the value of October production was not quite as great as September, it was the second largest of the year.

There has been practically no trading in Nipissing this week, the last recorded sale being on Monday, when 115 shares sold at $7.75.

TECK-HUGHES.

At the fourth annual meeting of the Teck-Hughes mine, held in Toronto, announcement was made that a new plan of financing was contemplated as a means for securing capital vitally needed for development.

The report stated that development of the mine showed a body of milling ore of considerable width, and that extensive cross-cutting, raising, sampling and assaying was required. The mine superintendent had been authorized to extend the plant so as to obtain a capacity for treating 110 tons per day. It was estimated that this would cost $30,000, and in addition substantial sums per month were required to carry on mining, milling and cyaniding. After a reference to the failure of the bond issue of $350,000, which was left on the hands of the underwriting syndicate, the statement was made that it was believed the new plan decided upon would prove attractive.

The financial report for the fiscal year ended on Aug. 31 last showed expenses of $137,352, less income from operation, amounting to $31,896, leaving an adverse balance of $105,456.53. The net impairment at the end of the fiscal year was $261,926, as against $156,484 for the corresponding period a year ago.

The following officers were re-elected: Chas. L. Denison, New York, president; Robt. W. Pomeroy, Buffalo, vice-president; A. D. Crooks, Toronto, secretary; H. C. Clarke, treasurer; Albert W. Johnston, New York, and J. F. Thompson, New York, directors.

Teck-Hughes shares have been very weak, dropping from 40 on Nov. 8 to 33 on Nov. 12.

WEST DOME.

Arrangements, it is reported, are being completed for the development of the southern section of the West Dome property through the Dome Lake workings. As some Dome Lake veins drop and run into West Dome territory, there should be favorable developments from the outset. There is also under consideration between the two companies an arrangement whereby a certain part of the Dome Lake mill will be set aside for treating West Dome ore.

West Dome shares have been holding between 13 and 14, though the close on Thursday was at the low point.

TRANSPORTATION

No Improvement in the Situation as Regards Railway Investments—Early Relief is Not in Sight.

The investment situation as regards railway securities has shown no improvement; in fact, C. P. R., which is the barometer of the Canadian market, touched a new low point for the movement during the week at 131. Matters in relation to transportation are obviously growing serious in this country, and it is becoming increasingly evident that the roads will not long be able to give good measure of service if something is not done to increase their present "starvation" income. The Railway Commission continues to remain silent and inactive as regards the situation, but it is to be hoped that when the election clears the air that body will have an opportunity of doing its duty by the carriers and by the business of the nation, which must soon suffer if agricultural and manufactured products and raw materials cannot be transported with all expedition.

By the end of the present week it is expected that the case of the American railways will be practically completed before the Interstate Commerce Commission. Railroad men are of the impression, as the result of the recent proceedings, that a decision will not long be deferred and that the scope of the assistance to be given will be decided before the close of the present month. As to the extent of this relief it is impossible to say at the moment, but the impression prevails that not only will the request of the roads for the 15 per cent. be granted, but that there will be in addition something in the way of wartime relief which will enable them to bring up their service to a state of efficiency which will accord with the general productive activity of the nation.

If adequate protection is thus given to American roads it is to be hoped that the Canadian Railway Commission will realize the situation in which the Canadian systems are placed and grant the necessary relief. In the States it is reported that President Wilson has given the Commission a few jolts, which have resulted in a change of attitude towards the roads. It would appear that in Canada the influence of the high political powers has been and still is unfavorable to an increase being granted.

The roads are not only facing higher costs for labor and materials, but it is being pointed out in the United States that they have to pay more for capital also. This is an argument which has been advanced by James Speyer, of Speyer & Co., New York, and it is enlarged upon in an article on page 11.

The transportation companies on both sides of the International line continue to face difficulties as regard labor. In this connection the announcement from Washington, that the heads of the four brotherhoods have practically agreed that there will be no strikes during the duration of the war, has been received with a large measure of relief.

The traffic earnings for the first week of November continue to show increases on the part of all the roads over the corresponding week of a year ago. The Canadian Pacific, as was the case last month, led the way both in gross amount and in percentage. The total earnings for the week ending Nov. 7 were $5,386,585, an increase of $220,626, or 4.3 per cent. Of this C. P. R. supplied $168,000. The following are the figures for the three roads:—

	Week of Nov. 7 1917.	Increase.	%
C. P. R......	$3,204,000	$168,000	5.5
G. T. R......	1,287,185	42,226	3.4
C. N. R......	895,400	10,400	1.1
	$5,386,585	$220,626	4.3

GRAND TRUNK.

Gross earnings of the Grand Trunk Railway Company for the first week in November amounted to $1,287,185 against $1,244,959 for the corresponding period in 1916, an increase of $42,226 or 3.4 per cent. As compared with the figures for the first week in October there is a falling off of $54,865. Following are comparative figures:

	1917	1916	Inc.	%
Oct. 7....	$1,342,050	$1,319,090	$22,960	1.7
Oct. 14....	1,312,505	1,300,095	12,410	.9
Oct. 21....	1,254,304	1,200,044	54,260	4.5
Oct. 31....	1,935,666	1,841,092	94,574	5.2
	$5,844,525	$5,660,821	$184,204	3.3
Nov. 7....	1,287,185	1,244,959	42,226	3.4

The Grand Trunk Pacific Railway Company reports gross earnings for the week ending October 21, amounting to £37,167 compared with £27,634 in 1916, an increase of £9,533, while from July 1, to October 21, the earnings amounted to £416,277, an increase of £125,927.

CANADIAN PACIFIC.

For the first week in November gross earnings of the Canadian Pacific Railway amounted to $3,204,000, as compared with $3,036,000 for the corresponding week in 1916, which is a gain of $168,000 or 5.5 per cent. Comparative figures follow:

	1917	1916	Inc.	%
Oct. 7...	$2,842,000	$2,966,000	*$124,000	4.2
Oct. 14...	3,333,000	3,034,000	299,000	9.8
Oct. 21...	3,429,000	2,932,000	497,000	16.9
Oct. 31...	4,989,000	4,170,000	819,000	19.6
	$14,593,000	$13,102,000	$1,491,000	11.4
Nov. 7..	3,204,000	3,036,000	168,000	5.5

* Decrease.

President Howard G. Kelley of the Grand Trunk in asking the railroad's employees to subscribe generously for Canada's Victory Bonds, states: "More than three thousand Grand Trunk men are fighting with the Canadian forces overseas. In view of the nature of their employment the majority of railway men cannot, however, serve their country in the battle line—the efficient operation of the railroads being indispensable to national defence. Those at home have a patriotic duty to perform that is important and urgent. They must provide the money to feed, clothe, equip and protect the fighting forces." The Grand Trunk is assisting its workers to purchase the Victory Bonds, giving the employees the opportunity of spreading the payments over a period of ten months.

CANADIAN NORTHERN.

For the week ending November 7th, gross earnings of the Canadian Northern Railway System totalled $895,400 compared with $885,000 for the corresponding period in 1916, and $758,500 for the first week in October. The gain over the figures in 1916 amounted to $10,400 or 1.2 per cent. Following are comparative figures:

	1917	1916	Inc.	%
Oct. 7....	$758,500	$857,400	*$98,900	11.6
Oct. 14....	960,600	847,700	112,900	13.3
Oct. 21....	872,300	839,700	32,600	3.8
Oct. 31....	1,350,200	1,172,000	178,200	15.2
	$3,941,600	$3,716,800	$224,800	6.0
Nov. 7....	895,400	885,000	10,400	1.2

* Decrease.

From July 1, to November 7, the earnings amounted to $15,428,800 against $15,308,800 in 1916, an increase of $120,000.

CANADIAN PACIFIC.

With the meeting of the Canadian Pacific board this week, and the declaration of the usual dividend payment, the stock took courage and moved up several points, but this was followed with a break to a new low for the movement, when the price dipped under the influence of less favorable news from the theatre of war. Despite the decrease in the company's net profits from railroad operation as the result of rising expenses in every direction, the dividend still appears to be on a fairly solid basis, although it is altogether likely that in the future some change may be made in the present ratio of 7 per cent. from railway earnings and 3 per cent. from special income account. The latter account is always more or less of a mystery to the shareholders in that particulars are only given once a year and then details are obscure. However, the impression prevails that, although in some of the departments under this special income account there has been a decline in profits, in others, such as the steamships, there has been a large increase and that, even though rail earnings might be considerably affected, the required funds could be provided from the special account. On the other hand it is questionable if, under the present unsettled conditions, the directors would long continue to draw upon this special account in the manner suggested if they had not reasonable assurance that the depression in earnings from the railway was only temporary.

The C.P.R. complains of a recent finding of a board of conciliation recommending an increase for maintenance of way men that they are being called upon to pay more than is paid by other Canadian or American roads. However, the company has agreed to stand by the decision. A subscription of $5,000,000 has been made to the Victory Loan.

The recent marked weakness in the common shares of the Canadian Pacific Railway has probably been due in large measure to financial conditions in Canada and to factors affecting all so-called investment stocks, say Hayden, Stone & Co., New York. From current indications, the 1917 calendar year should produce a balance for the common stock equal to between 16 per cent. and 17 per cent. which would appear to provide a good margin over and above the current 10 per cent. dividend requirements. Nevertheless, although the gross revenue so far this year has much exceeded that of any previous period it is noticeable that in August and September, usually two of the best months in the year, which normally yield about 20 per cent. of the full year's net revenue, there has been a rather disappointing drop in net.

In the year to June 30, 1916, Canadian earned 16.76 per cent. for its $260,000,000 of common stock. The six months to December 31, 1916, showed a balance of 11.23 per cent. for the common, which, allowing for the seasonal fluctuations in earnings, would be at the annual rate of about 18 per cent. Then during the first seven months of 1917, the company reported net revenue of $24,757,456, as compared with only $23,618,826 in 1916, and with the most profitable months yet to be heard from, there was good reason to believe that 1917 might be almost as good, if not better than, the high record year of 1912, when 19.62 per cent. was reported. However, the net for the next two months compared quite unfavorably with that of 1916, and even with the five-year average, as may be seen from the following:

	Net Operating Revenue 1917	1916	Average 1912–1916
Aug. ...	$3,817,538	$5,467,786	$4,171,316
Sept. ..	3,747,151	5,129,759	4,470,906
	$7,564,689	$10,597,545	$8,642,222

The net for these two months was $3,000,000 less than that for the same period in 1916 and $1,000,000 less than the five-year average. A net revenue of $7,564,689 for August and September would be at the annual rate of about $37,800,000, or the equivalent of between 11 per cent. and 12 per cent. on the stock. Apparently the turn has come in this company's earnings, and unless this tendency is checked in the next few months, the outlook for 1918 is not particularly encouraging.

Canadian Pacific in the past has often sold higher than American railroad stocks, taking into account earnings and dividends. One explanation for this fact has been that, being located in the Dominion, it was not subject to all the restrictive regulations which have proved such a burden to many systems on this side of the border. It may be that the nationalization of the Canadian Northern and the probability that the Canadian Pacific will in the future have to compete with a Government line, both in the matters of rates and raising new capital, will offset any advantages in freedom from regulations.

TEXTILES

Light Selling of Securities at Minimum Prices—Wool Situation Very Difficult.

By H. H. BLACK.

There was little activity in the security market for textiles this week. What selling there was, was limited to a couple of stocks, which have held up most strongly of all during the past few weeks. On the Montreal Exchange both remained glued to the minimum prices.

The raw market in cotton is slightly advanced this week and spot was averaging 29½ cents. It would not take much of a bull element to make it reach the 30-cent mark. The present tendency would appear to be all in that direction as there is a brand new report from the South that the prospects for planting next Spring are not as bright as this past season. The violent fluctuations the last few weeks have induced a Liverpool movement for government control there.

The Canadian mills are still busy finishing up on goods for Fall deliveries. In cotton textiles a further advance is certain unless the market declines. Further U.S. orders for duck are available whenever they can be filled.

In knit and woolen goods, several new U.S. orders have been received, chiefly in socks and blankets. The mills are preparing samples for next Fall and will be going out about the end of the present month. Needless to say, prices will show further advances, and at this stage this is certain to restrict orders considerably more than they have slowed up for Spring 1918.

	Close, Nov. 8	Close, Nov. 15	Change
Can. Cot., com..	49	49	..
Do., pref.	76	76	..
Dom. Tex., com.	80¾	80¾	..
Do., pref.	100	100	..
Mon. Knit., com.	30	30	..
Mon. Cot., pref.	100	100	..
Penmans, com..	66	65	— 1
Do., pref.	81⅞	81⅞	..

MONTREAL COTTONS.

Business continues steady and the mills are well supplied with orders. There were no sales this week nor have there been for some time.

PENMANS.

The Penman mills are getting samples ready for fall, 1918 season, and these will go out about the end of November. The common dropped one point this week to 65, the minimum price.

ATLANTIC UNDERWEAR.

In common with the majority of the knit goods mills Atlantic Underwear, Limited, of Moncton, New Brunswick, has had a successful year, although the mills had to face scarcity of male labor and difficulties in securing supplies of wool. At a meeting of the directors a dividend of 5 per cent. was declared for the fiscal

Continued on page 4.

THE CANADIAN BANK OF COMMERCE

PAID-UP CAPITAL - $15,000,000
REST - - $13,500,000

Head Office, TORONTO

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SIR JOHN AIRD - - - General Manager
H. V. F. JONES - - - Ass't General Manager

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The Dominion Bank

HEAD OFFICE - TORONTO

Sir Edmund B. Osler, M.P., President
W. D. Matthews, Vice-President
C. A. BOGERT, General Manager

The London, England, Branch of The Dominion Bank at 73 Cornhill, E.C., conducts a General Banking and Foreign Exchange Business and has ample facilities for handling collections and remittances from Canada.

THE BANK OF NOVA SCOTIA

INCORPORATED 1832

CAPITAL, - - $ 6,500,000
RESERVE, - - 12,000,000
TOTAL ASSETS, - 115,000,000

HEAD OFFICE, HALIFAX

BOARD OF DIRECTORS:

John Y. Payzant, President — Charles Archibald, Vice-President
G. S. Campbell — S. J. Moore — W. W. White, M.D.
Hector McInnes — J. Walter Allison — W. D. Ross.
James Manchester — Hon. N. Curry — Hon. M. C. Grant

GENERAL MANAGER'S OFFICE, TORONTO

H. A. Richardson, General Manager. J. A. McLeod, Asst. General Manager.

A general banking business transacted. Letters of Credit issued, drafts bought and sold, payable in all parts of the world. Savings Deposits opened by deposit of $1 or over, interest added half yearly.

UNION BANK OF CANADA

Dividend No. 123

Notice is hereby given that a Dividend at the rate of 8% per annum, together with a bonus of 1%, upon the Paid-up Capital Stock of the Union Bank of Canada, has been declared for the current quarter, and that the same will be payable at its Banking House in the City of Winnipeg, and also at its branches, on and after Saturday, the 1st day of December, 1917, to shareholders of record at the close of business on the 15th day of November next.

The Transfer Books will be closed from the 16th to the 30th day of November, 1917, both days inclusive.

By order of the Board,

H. B. SHAW,
General Manager.

Winnipeg, October 18th, 1917.

NEWS OF SECURITIES

Continued from page 3

year ending Nov. 30, 1917, payable on Dec. 1 to shareholders of record Nov. 15.

CANADIAN COTTONS.

Vice-president A. O. Dawson, of Canadian Cottons, stated to THE FINANCIAL POST that no more orders had been received from the United States Government for duck, but this was simply because the mills were busy with the first order and did not want to load up, anyway, lest they might be hampered in their Canadian business. Prices were holding very firm, and a second advance would have to go into effect if the rise in cotton continued, and indeed unless there was a decline soon. "We are hoping it won't be necessary," said Mr. Dawson, "and are not pushing orders in the meantime in the hope that there may be a drop in the raw cotton. We must advance if it keeps up."

No shares were sold this week, so that the last quotations remain at 49 on command, 76 on preferred.

DOMINION TEXTILE.

The Dominion Textile Company is still working on the large United States war orders that have been received, and these with domestic business are keeping the mills quite busy. It may be that the price lists for next Fall that would be issued shortly, in some lines, under normal circumstances, may be deferred a little, to the advantage of all the trade except, perhaps, the converters, in order to see whether there are likely to be more settled conditions. The advance buying for Spring, 1918, is practically complete, but sorting orders will come in close to the actual retail selling season.

There were a few shares sold this week, both in common and preferred. Both were at the minimum prices of 80¾ and 100 respectively.

MONARCH KNITTING.

The long-continued quietness in this stock was not changed this week, as no sales were recorded.

PULP AND PAPER

Trading Almost Absolutely at a Standstill Among the Securities of This Group.

By W. A. CRAICK.

It has been an extraordinary week for pulp and paper shares. The record of stock after stock shows no transactions whatever. Neither Laurentide, nor Riordon, nor Spanish River nor Wayagamack had a single sale to their credit, while the once extremely active North American could only exhibit trading to the extent of two shares. Brompton alone showed any degree of activity, 205 shares changing hands at 39. The following schedule is therefore merely nominal and is inserted for record purposes only.

	Close Nov. 8	Close Nov. 15	Change
Laurentide	152	152	...
Riordon	117¼	117¼	...
Spanish, com.	13	13	...
Wayagamack . ..	50	50	...
Brompton	39	39	...
N.A. Pulp	2⅞	2	— ⅞
Price Bros.	120	120	...

The week's special development, as far as the paper inquiry is concerned, was the visit of the Canadian paper controller, R. A. Pringle, K. C., accompanied by G. T. Clarkson, the commission's actuary, and R. W. Breadner of the Dominion Finance Department, to Washington, where they were in conference on Monday and Tuesday with the Federal Trade Commission. The object of the conference was to determine on some joint line of action with regard to newsprint prices, and it is understood that an arrangement has been arrived at.

So far as the attitude of the paper manufacturers in Montreal towards the book paper investigation is concerned, this is dealt with in a special article which readers will find on page 16 of this issue.

Book paper manufacturers in the United States have signed an agreement with the Federal Trade Commission whereby all the offending producers agree to discontinue the trade practices found objectionable by the Trade Commission and to cease for good and all the so-called Bureau of Statistics. The "stipulation" is as follows:—

"It is hereby stipulated and agreed, subject to the approval of the Federal Trade Commission, by and between the trial counsel representing the Federal Trade Commission and the several respondents represented by their counsel of record signatory hereto, that the Federal Trade Commission shall enter the following order disposing of this complaint:

"It is hereby ordered by the Federal Trade Commission:

"(I) That the dissolution of the Bureau of Statistics of the Book Paper Manufacturers, as set forth in the answers and amended answers in this complaint, be and the same is hereby approved:

"(II) That each and all of the respondents signatory hereto (*here insert in the order itself the names of the stipulating respondents in the formal order when made and entered of record*) shall forever cease and desist from continuing their respective memberships in the said Bureau of Statistics of the Book Paper Manufacturers, or from reorganizing the said bureau, and shall not create or join or become members of any such bureau or similar organization having for its purpose the objects, or any of them, charged in the complaint of this case as having been the objects of the said Bureau of Statistics, and shall forever cease and desist from carrying on such activities as are charged in the complaint to have been carried on by the said bureau, and from engaging in any concerted movement (1) to enhance prices of book print paper, or (2) to maintain such enhanced prices, or (3) to bring about substantial uniformity of such prices, or (4) to effect or maintain such enhancement or such uniformity of prices through the medium of telephone communication, or by correspondence, or by personal meetings, or through other communications, or in any other manner whatsoever.

"(III) That the respondent, Charles F. Moore, be and is hereby ordered to forever cease and desist from continuing said Bureau of Statistics of the Book Paper Manufacturers, or from reorganizing such bureau, or from creating, managing, conducting, working for or becoming connected in any capacity with any other bureau or similar organization having for its purpose the objects charged in the complaint as having been the objects of said Bureau of Statistics, or similar objects, and from being connected with or assisting in any concerted movement to enhance prices of book print paper or maintain such enhanced prices or to bring about substantial uniformity of such prices or from aiding and assisting in any capacity in effecting or maintaining such enhancement or such uniformity of prices through the medium of telephone communication or by correspondence or by personal meetings or through other communications or in any other manner whatsoever."

The seven defendants in the case of the U.S. Government's charges against the NewsprintManufacturers' Association, accused under the Sherman Law of combining unlawfully to control the newsprint industry, were placed on trial on Thursday in New York.

ABITIBI.

An official of the Abitibi Pulp and Paper Co. reports that there are the usual number of men in the woods cutting down pulp wood, so that early fears in this direction were uncalled for. While some anxiety is felt as to the price the Government will fix for Canadian newsprint the fact that by far the greater part of the output is exported, would not affect the Abitibi mills much, unless the Federal Trade Commission follows the Canadian decision. Export trade continues steady and will for a large portion of next year as the most of it operates under contract.

PRICE BROTHERS.

The *Pulp and Paper Magazine* describes recent extensions and improvements at the Jonquiere plant of Price Bros. & Company.

"They have expended approximately $250,000 making the plant modern and up-to-date in every department. New concrete head gates, with racks, and a steel tube penstock 14 feet in diameter and 300 feet long, have been installed, as well as new water wheels. They have also set up three extra grinders, which, with those they had, make a total of nine at this mill.

"The old wooden mill has been demolished, and reconstructed of concrete and steel throughout, and they are putting in a new boiler and building a new concrete chimney; in fact, all the structural changes are being made of reinforced concrete. A new screening system has been installed, abandoning flat screens and substituting rotaries.

"The two machines, as well as the beating engines and, in fact, practically the entire mill, is now driven by electricity. The only water power used is for grinding pulpwood. The production at this plant has been increased by more than 110 per cent. The equipment includes one 78-inch six-cylinder machines and one 110-inch Fourdrinier, the product being newsprint, manila, sheathing, tag and board products."

ELECTRIC RAILWAYS

Little Trading in Utility Securities—Many Retire Behind the Protection of the Minimum.

There has been little trading during the week in the street railway or other public utility securities. For the most part these stocks, depressed by the prevailing conditions of high cost of operation and fixed returns, are being sheltered by the official minimums and practically all transactions which have taken place have been at the fixed prices. Many of the companies are approaching a crisis which promises to materialize with a continuation of the present conditions. These conditions are described in an article in this issue embracing the views of William Phillips, the late manager of the Winnipeg Electric Company, and these are of particular interest to shareholders following the statement of the new manager, A. W. McClimont, which appeared in THE FINANCIAL POST last week.

In the situation as regards the Hydro Electric and the private companies there has been little change recently although it is significant that despatches from Ottawa indicate that there will be no drastic action taken by the Dominion Government with regard to preventing the exportation of electric energy to the United States. The cautious policy of the government is wise under the circumstances. American consumers have contracts which they naturally expect will be respected. If they are cut off they will undoubtedly demand that retaliatory measures be used towards Canada and these could easily be made effective if our supply of coal or oil was reduced—a logical step when it is considered that on the other side of the line there is, as in Canada, an actual shortage of power and the materials with which to create it.

The market for public utility securities in the United States continues in an atmosphere of blue funk. So far, none of the issues have effected any substantial recoveries from the low level to which prices were depressed during the heavy liquidation in the general list of stocks and bonds. In fact, some issues have registered further declines in the face of recoveries on the big board. All this is particularly difficult to explain, in view of the fact that the business of the various companies throughout the country is up well with some companies reporting sizable increases in business. At the same time, at present rates for construction work it appears that the returns from new business would hardly enable the companies to earn enough on their investments to compensate them for the outlay required unless additional revenues are forthcoming through increases in rates for service. Adjustments in this respect undoubtedly will be made sooner or later, for it is obviously unreasonable to keep the companies pinned down to a fixed rate, while operating costs have gone up by leaps and bounds.

DULUTH-SUPERIOR.

The Duluth-Superior Traction Company reports gross earnings for the first week in November amounting to $32,770 compared with $28,354 for the corresponding period in 1916, an increase of $4,416 or 15.6 per cent. For the year to date the earnings amounted to $1,343,517 against $1,164,755 in 1916, an increase of $178,761 or 15.3 per cent.

TRINIDAD ELECTRIC.

The September gross earnings of the Trinidad Electric Company amounted to $22,768 which compares with $20,863 for the same month in 1916, an increase of $1,905. Net earnings for the month amounted to $9,209 against $8,761, an increase of $448.

DETROIT UNITED.

Gross earnings of the Detroit United Railway for September amounted to $1,515,281 compared with $1,462,388 for the same month in 1916, an increase of $52,843. Net earnings for the month were $340,938, a decrease of $121,141. For the nine months ending September the gross amounted to $13,418,589, an increase over the corresponding period in 1916, of $1,311,037, while net earnings totalled $3,664,206 against $3,840,281, a decrease of $176,075. Following are comparative figures:—

	1917.	1916.		Change.
Sept. gross...	$1,515,231	$1,462,388	+	$52,843
Net	340,938	462,079	—	121,141
Surplus	139,509	268,780	—	129,271
9 mos. gross.	13,418,589	12,107,552	+	1,311,037
Net	3,664,206	3,840,281	—	176,075
Surplus	1,873,743	2,122,139	—	248,395

Detroit United, although an American proposition, is protected by the Canadian minimum prices. This week it has not been in the active list and is evidently taking shelter behind the fixed price. The minimum of 104¾ is quoted as an asked price but has no interest on the part of buyers.

DULUTH-SUPERIOR.

For the last ten-day period of October the gross earnings of the Duluth-Superior Traction Company amounted to $45,595, against $38,770 for the corresponding period in 1916, an increase of $6,824, or 17.6 per cent. For the month the total was $138,377 compared with $120,427, an increase of $17,849 or 14.8 per cent., while for the year to date the earnings amount to $1,310,746, an increase of $174,345 or 15.3 per cent. For the month the earnings are as follows:—

October	1917	1916	Inc.	%
1st week.....	$30,367	$27,321	$3,046	11.1
2nd week....	30,868	26,560	4,308	16.2
3rd week....	31,444	27,774	3,670	13.2
Remain. mon.	45,595	38,770	6,824	17.6
Month	$138,277	$120,427	$17,849	14.8

BARCELONA.

Barcelona has been further affected during the week and the low point for the depression has been dropped half a point to 8. Only general influences appear to be at work, but conditions are undoubtedly very unsettled in the field of the company's activities. The annual meeting of the company was held on Thursday, when the report was presented. There were about a dozen shareholders present and some questions were asked which elicited explanations as to certain phases of the report. However, nothing was said which might be considered as having direct bearing upon the present market situation further than revealed by the document itself. Miller Lash, one of the vice-presidents, was in the chair, and spoke optimistically of the outlook. He predicted the successful working out of the company's destiny despite the high cost of fuel and the financial problems which are being created as the result of the war. The directorate was reappointed without change.

BRAZILIAN.

Brazilian Traction has been the active feature of the Canadian exchanges during the week. The volume of business on some days has been around the 3,000 mark. However, even though this indicates a heavy liquidation movement, there has been considerable resistance shown in view of the company's position and the general conditions prevailing in the market. As compared with last week, when practically all sales were at the minimum of 32, this week has shown an improvement, and there has been an evident willingness to absorb offerings at prices as high as 32½. Considerable confidence is being displayed in some quarters in this stock as a proposition for a long hold. The company is in a good position physically and is doing a splendid business. With any reduction in the operating costs or in the exchange situation the holders should experience an almost immediate benefit.

QUEBEC RAILWAY.

There has been no interest displayed in Quebec Railway during the week. The minimum for this stock is 15 and although there were a few transactions at this price last week no sales have been registered for some days.

TORONTO RAILWAY.

There has been some trading in Toronto Railway during the week at the minimum. Interest in this company now centres in the dividend policy. A meeting of the directors was held a few days ago but the question was not considered. The general impression is being created that the next quarterly declaration will see no change in the rate. However, those closely in touch with the situation and who appreciate the effect of the rising costs of operation and the financial standing of the company are of the opinion that a continuance of the prevailing conditions must result in a change in the dividend policy sooner or later.

TWIN CITY.

Twin City has developed further weakness during the week. A fortnight ago this stock was selling around 78. Last week it suffered a sharp decline and fell to 73. This week the decline has continued and as low as 69½ has been marked up. General conditions as regards cost of operation are regarded as being the principal factor in the readjustment.

WINNIPEG ELECTRIC.

Winnipeg Electric has not been in the active list this week. The stock is being offered at the minimum of 48, but is not arousing interest at that figure. Shareholders will no doubt be interested in the statement regarding the company's affairs by the late manager, William Phillips, which appears on page 16 of this issue.

LIGHT AND POWER

CIVIC INVESTMENT.

There has been a fair volume of trading in Civic Investment during the week considering the conditions prevailing in the market. The minimum price of 68½ has prevailed.

OTTAWA LIGHT AND POWER.

The announcement is made from Ottawa that the Ottawa Light, Heat & Power Company is asking authority from the shareholders to increase the capital of the company from $2,000,000 to $5,000,000. The company is in need of new capital but the present is a difficult time in which to secure it. There have been no sales in the stock for some weeks. The minimum is 69 and the last sale was fractionally under 70 about the middle of October.

SHAWINIGAN.

There has been considerable trading in Shawinigan this week, but there has been a fairly receptive market indicated at the minimum of 107.

OTHER STOCKS

Whole Market Has Suffered from Lack of Attention and Minimums Have Provided Protection.

There has been little indeed to relieve the general lethargy which has prevailed in the Canadian stock markets this week. Throughout the miscellaneous list the general influences have prevailed. In the earlier trading there was a somewhat better tone but this was followed by realising which in the great majority of cases brought the minimum prices into operation and they in turn provided a check which all but extinguished activity. However, the suspension has given the professional element an opportunity to devote itself to the war loan campaign. There is little indication of improvement in the early outlook and it would appear probable that the minimums will remain in force for some time. Public apprehension is greater than all conditions would seem to warrant and artificial restraint finds endorsation under these circumstances, at least so long as there appears to be a want of confidence not justified by the technical position of the market. More favorable news from Europe would undoubtedly have the effect of restoring public opinion and this would no doubt be quickly reflected in the investment situation but in the meantime the depression may quite easily be carried further as there is little evidence of substantial resistance.

BRANDRAM-HENDERSON.

A seasonal dullness has come over the paint business but Brandham-Henderson are starting out on Spring business and this is reported to be well up to average. Last Spring the weather was unfavorable and a number of the dealers in smaller places were left with fairly heavy stocks which will lessen their orders now for Spring, 1918, deliveries. A drop in the price of lead may cause dealers to hold off in expectation of another. The marine end of the company's business is promising well, and the president, George Henderson, has been at the coast in the interests of this branch. The company's business for the year 1917 will show large advances over last year.

B. C. PACKERS.

The packing season has practically closed, and though it showed an improvement over last year as to the total pack, it was rather disappointing as regards the run of sockeye. Prices, however, have been exceedingly good for all grades, and for that reason the packing companies have been able to make a far better showing than was generally anticipated.

There have been no transactions in the stock of this company for the past two weeks. No quotations have been posted recently, and it is evident that the market is being supported by the minimum of 40.

CANADA BREAD.

There have been few transactions in Canada Bread common recently. At last report transactions were indicated at 14, but since there have been a few sales at a point below this figure. Late quotations are 15 asked, without bids. There is no minimum quotation on this stock. So far as the company's position is concerned there has been no change in conditions recently. Conditions have been more settled since the establishment of a set margin of profit for the millers by the Food Controller. However, action is still deferred with regard to the fixed price for mill products. Should such action be taken and result in the expected slight reduction in the price of flour there might be some small benefit for the bakers, as the reduction would not likely be sufficient to affect the price of bread to the consumer.

CANADA CEMENT.

There has been a small but comparatively steady volume of trading in Canada Cement common this week at the minimum of 57; about 150 shares a day have been changing hands. Little attention has been given to the preferred, but there have been some sales at the fixed price, 90.

CANADIAN LOCOMOTIVE.

There have been no sales of Canadian Locomotive common for a month or so. The fixed price is 58, and this is being asked without arousing interest of bidders. For the preferred the minimum is 84½, and on this basis some strength was shown during the week, when a small block of shares changed hands at 85½.

CANADIAN RUBBER.

There has been no trading interest in the securities of the Canadian Consolidated Rubber Company for a considerable period. The minimum on the common is 90, compared with last sales at the end of September at 95. The preferred fixed at 97 compared with last sales in July at 96½.

CITY DAIRY.

Satisfactory reports as to the affairs of the City Dairy Company—considering the unsettled conditions prevailing in the whole dairy industry—are made by Manager Northgrave to THE FINANCIAL POST. Mr. Northgrave states that it is yet early to figure on the effect of the recent price changes in regard to net earnings, particularly as costs of operation continue to advance, but the margin of profit has not been greatly changed. So far as the intimation of the Food Controller, that steps might be taken to reduce the margin of profit allowed the distributors, is concerned, the opinion of Mr. Northgrave is that Mr. Hanna has been satisfied that steps in this direction are hardly necessary at the present time, because the average distributor is working under conditions which make it very difficult for him to show sufficient profit to justify his operations, even when the most efficient methods are employed.

There have been no transactions in City Dairy stocks during the week. The minimum prices of 30 and 60 for the common and the preferred respectively are being bid, but no quotations have been posted recently.

CARRIAGE FACTORIES.

There have been no transactions in Carriage Factories common for several weeks. The minimum price has been fixd at 15, the level at which last sales took place, but there have been no quotations recently.

DOMINION CANNERS.

There have been no new developments in the affairs of this company during the past week. The general feeling prevails that owing to the handsome profits made on the goods packed they will be able to make a fair showing. It is generally admitted, however, that their business will begin and end with their own pack, there will be no possibility of improving conditions by importing stock from across the line as they did last year, as the American packers are about as badly off as they are. There is a fair pack of apples, that will bring a good figure, but the costs of these were high. A goodly part of the stock had to be brought from a distance, no fewer than 90 cars of Nova Scotian apples having been purchased by this company to fill up the deficiency owing to the small production of Ontario apples. The costs on these will naturally be high. It is understood, too, that there is a full pack of pumpkin, that will help the situation slightly.

There has been no trading in either the common or the preferred for some time past.

GENERAL ELECTRIC.

Only 55 shares of Canadian General Electric common have changed hands on the stock exchange since last report. The minimum price of 101½ figured in the transactions. There has been no interest shown in the preferred stock for several months.

INTERNATIONAL PETROLEUM.

Although there have been no transactions in International Petroleum on the Toronto Exchange for the past fortnight, a weakness in the market is indicated in the quotations. As compared with last transactions at $12,00, only $9.75 is now being bid as compared with $10.50 asked.

MACKAY.

After declining to 71, a low point for the year, MacKay common has shown strength and has moved up to 73. This was one of the few stocks to show material improvement during the week. The preferred sold at 59⅞, a low point for the year.

NORTH ATLANTIC FISHERIES.

The North Atlantic Fisheries Company, with a capital of several hundred thousands, is still marking time, operating only its cold storage department. The company is simply collecting the charges for storage, but this is netting more than was ever made in the full business. The loan from Canada Corporations is being reduced at a rate of $1,000 monthly and will soon be entirely liquidated. Thereafter the only obligation of this kind will be a mortgage to the Hart estate for $20,000 on property estimated to be worth over $60,000. The net earnings are at present equal to about 2 per cent. on the preferred stock.

RUSSELL MOTOR.

Production of the 6-inch shells, under the new contract recently awarded to the Russell Motor Car Co., has commenced at the company's Toronto plant, while the last of the fuses under the old contract are now being completed. From Buffalo comes word that the new plant there for the handling of the U.S. Government's contract is being rapidly put into shape for operation.

There has been no trading this week in either the common or preferred shares of the Russell Company.

ROGERS.

The first transaction in Wm. A. Rogers common since May took place during the week. The price was 40, the established minimum under the new ruling. This figure compares with a last price of 65, and a high for the year of 80, and is an indication of the readjustments in industrial security values which have been taking place. Reports are to the effect that the company's volume of business continues to show increases, but costs of production have been rising in every direction, and the capital requirements for the financing operations have been very heavy. The preferred sold this week at 90, showing no change from the last, in June.

SHERWIN-WILLIAMS.

The annual meeting of the Sherwin-Williams Company will be held on Dec. 11, and THE FINANCIAL POST learns that the returns will show the largest business in the history of the Canadian company for the year ending August 31. With its new plant in Australia and a marine branch to take care of new business in connection with the revival of shipbuilding in Canada, the activities of the company have increased greatly during the year. Since the year closed the trade in the months of September and October was quite up to last year. At present, spring, 1918, business is being sought, and on the whole this is expected to be up to last season, although some firms carried over fairly large stocks. In addition to domestic business the export prospects continue to be bright. For the 1916 year the net earnings of the company were $846,944 compared with $577,304 for the previous year. Dividends on preferred are paid quarterly on a 7 per cent. yearly basis, but so far nothing has been paid on the $4,000,000 of common. Some movement in this direction is expected shortly. There were a few sales this week of preferred at the minimum price, 99.

SMART-WOODS.

A jump in the stock at the close of the week made traders believe that an increase in the dividend of Smart-Woods common was about to be announced. When this came it was in the very acceptable form of a lump amount of 4½ per cent. This, added to two amounts of 1¼ per cent. previously, made a total of 7 per cent for the year. It is understood that next year's dividends will be 1¾ per cent. quarterly. Up to last June, common paid no dividends since the first quarter of 1914, as in June of that year it was decided to pass the regular dividend of 1¼ that had been paid in 1913 as well. The dividends on the preferred had been passed from Oct. 1, 1914, to Oct. 1, 1915. On Dec. 18, 1916, the directors declared a dividend of 7 per cent. on account of back dividends and also the regular quarterly dividend on a basis of 7 per cent., which cleared up all back dividends on preferred. The common dividend just announced is payable Dec. 1 to holders of record Nov. 28.

An official of the company stated to THE FINANCIAL POST that the general business of the company was quite up to that of last year. There has been some war business in the way of tents filled by the Ottawa factory. The net profits last year were $516,191, compared with $397,659 for the previous year, and $108,629 for 1914.

WINDSOR HOTEL.

The Windsor Hotel Company have declared a dividend of 2 per cent. for the half-year ending Oct. 31, payable Dec. 1 to holders of record Nov. 21. General conditions in the hotel business had caused some doubts as to whether this dividend would be paid. The dividends of the Windsor Hotel were passed from Dec. 1, 1914, until last Fall when they were resumed with a half-yearly one at 2 per cent. This is being kept up and Manager Davidson stated to THE FINANCIAL POST that the indications were that the Windsor would continue its dividends.

"The tourist business this Summer was not as good as expected, but the general business from last January on, exceeded expectations considerably. The Fall months of September and October have been fair, but not as good as last year. Business has been affected to a certain extent by the abolition of 'treating.' Since September prices of foodstuffs have become more steady, and we are not looking for much fluctuation now. We have had to advance rates on the better class of rooms, and the dining room charges had to keep pace with the advances in foodstuffs. Our statement on the whole will show we are ahead of last year."

FRIDAY'S PRICES.

Following are Canadian stock transactions at Friday morning's session:

	High	Low
Mackay	71½	71½
Do., pref.	60	60
Con. Gas	148	148
Dome Mines	6.90	6.90
Can. Perm.	165	165
War Loan (1937)........	93¾	93¾
Do. (1925)........	95¼	95¼
Do. (1931)........	94¾	94¾

FRAUDULENT ADVERTISING

U.S. Trade Commission Says it Means Unfair Competition.

The Federal Trade Commission has just handed down a decision against the Muenzen Specialty Company of New York City, holding the following practice to constitute unfair competition:

(1). Advertising special sales of articles so as to convey to the public the impression of an unusual or advantageous offer for a limited period, when in fact the prices during such sales are no different than those obtained at other times.

(2). Falsely representing that articles have been purchased in large quantities in order to sell them at less than the regular price.

(3). Fraudulently representing or conveying to the public the impression that the advertised price of an article is less than the regular price.

(4). Making false and injurious statements to prospective customers concerning the material of which competitive articles are constructed, or the cost of production of the same.

(5). Attempting to interest prospective purchasers by conveying a false impression of expert and impartial advice on the best make of an article when in fact the advertiser is directly interested in selling a special make.

The Muenzen Company, which was engaged in the sale of electric vacuum sweepers and cleaners, was held by the Commission to have been engaged in the above practices, from which it was ordered to cease and desist.

In Jerusalem, bread costs 11 times as much as it did prior to the war. Petroleum costs 30 times as much as in 1914, and milk five times.

U.S. WAR ORDERS WILL HELP OUR TRADE BALANCE

Munitions Contracts Will Offset Extravagant Purchases.

WE ARE SPENDING FREELY

Trade Figures Show That We Are Buying $35,000,000 a Month More From Americans Than We Are Selling To Them.

Special to The Financial Post

NEW YORK.—Accumulating evidences of Uncle Sam's buying activities in the Canadian market, which were first made known in THE FINANCIAL POST, promise to have a vital bearing on the trade between the two countries.

Canada's trade position in the United States up to the present has been at complete variance with her world trade position. At the end of August, 1917, when Canada showed a favorable trade balance to the world of $362,017,914, her position in this market was "unfavorable," Canada's "unfavorable balance" toward the U. S. on August 31, 1917, reached $323,489,000. The Dominion is piling up an unfavorable balance of trade on this side of the border at a rate exceeding $35,000,000 monthly, or about half a billion per annum.

The extensive orders for Canadian products which Washington, as a direct result of the war, is placing in the Dominion should go a long way, if not entirely, to correct Canada's trade position.

Washington this week released the August trade figures in detail. The Canadian American figures may be summarized as follows:—

	Imports August	Exports August	Canada's Unfavorable Balance
	(000's omitted)		
1916	$21,444	$56,845	$35,401
1917	34,481	71,395	36,914
	8 months	8 months	
1915	$101,360	$209,189	$107,829
1916	138,144	374,953	236,809
1917	251,889	575,378	323,489

The August trade figures are notable for the fact that the Dominion leaped into second place as a buyer in these markets. With an aggregate purchase of $71,395,000 for the month of August, Canada's purchases were exceeded by only one other nation, England, who took 158 million dollars' worth of American goods. France was third best customer taking 52 million dollars worth. Canada ranks third as a buyer for the first seven months of 1917. England is in first place, taking $1,218,434,000 worth and France second with $653,766,081. Canada's seven months' buying on this side of the border totals 575 millions.

The first year of the United States closes June 30. In the 12 months ended June 30, 1917, the trade over the international boundary reached $1,108,478,800; reaching and passing the billion mark for the first time in the history of the two countries. The August trade figures of the U. S. reveal a total trade exceeding 100 million monthly so it is already patent that in the ensuing fiscal year all previous trade records will be surpassed.

Canada has always been one of Uncle Sam's best customers. In this connection, Geo. Wilson, New York Agent of the Union Bank of Canada, who is a keen observer of all financial operations between the two countries points out, "the traditions of both peoples, geographical proximity and similiarity of business methods have all conduced to active trade relations and as the volume of commercial business between the two nations developed a corresponding expansion in the purchase of Canadian securities by American investors followed as a natural consequence."

MERCANTILE MARINE.

Dividend Payment Deferred Until Situation Clears.

BOSTON.—The plans to pay off the 88% of accrued dividends on Mercantile Marine's $51,730,000 preferred was receiving very serious consideration two weeks ago. The matter had been discussed and the details of alternative propositions were about ready to lay before a full meeting of the board. The general scheme was to pay up to $15 per share in cash about $25 per share in a serial bond and the balance in additional common stock. The ratios were to be finally determined at a board meeting which should have been held last week.

It is understood that the great change in the Allied fortunes in Europe and the adverse shift which the war has taken has greatly changed the feelings of the powers that be. They consider that to take action at this time would be unwise and possibly dangerous. It is likely, therefore, that this paying off the accrued dividend will have to go over until the international outlook is more reassuring.

CONDITIONS IN MEXICO.

A Number of Socialistic Experiments Being Tried.

The new regime in Mexico put through a new Constitution last May which imposed minimum wage scales and guaranteed to workingmen participation in corporation profits. Result, a rather chaotic state of affairs. Cost of producing gold ore has about doubled under the new labor scheme and a number of the big copper and other mines have shut down or curtailed operations. There is a strong socialistic tinge in all recent legislation in Mexico and the Government is taking a hand in regulating many industries or trying to help the workers to better conditions. To that end a great deal of Government land or land that has been taken from the former wealthy landowners has been distributed to soldiers who fought for the Carranza Government and the result is that there is considerable labor scarcity. One of the latest phases of the socialistic program is the purchase of several million bushels of corn in the United States for use as food or seed and which will be distributed to the peasants or peon farmers.

INCREASED PRODUCTION OF GASOLINE NECESSARY

United States and Allies Will Require About 55,000,000 Barrels of Gasoline During the Coming Year.

Manufacture of gasoline will have to be increased in the second half of this year if the output of the country's refineries is to reach the mark set for them for 1917. A. C. Bedford, president of the Standard Oil Co. of New Jersey, and chairman of the petroleum committee of the Council of National Defense, has stated that 55,000,000 barrels of gasoline will be needed in 1917 to meet the requirements of the United States and the Allies.

In the first six months of 1917, according to statistics compiled by the Bureau of Mines, there were 24,500,000 barrels of gasoline manufactured by the refiners in the United States. This is at the rate of 6,000,000 a year less than the mark set by leaders of the industry. The difference between the 49,000,000 barrel rate and the 55,000,000 barrels needed will have to be met by larger refinery output and through casing head gasoline production. Casing head gasoline production last year amounted to 2,500,000 barrels.

The refinery capacity of the country is fully able to turn out all the gasoline required. It is in excess of 1,250,000 barrels a day, whereas production of crude oil is but 900,000 barrels a day. The solution of the situation lies in greater production of crude oil.

Oil producers, notwithstanding high prices of material and labor, in the last several months, have responded to the needs of the industry with a larger output than ever before. In the first six months of 1917 crude production is estimated to have been about 156,000,000 barrels, or at the rate of 312,000,000 barrels a year, compared with approximately 300,000,000 in 1916. While it is true prices of crude oil have advanced, the record of producers this year is one that has brought them a great deal of favorable comment for what they have accomplished in face of difficulties. It now seems pretty well agreed on that there will be no price-fixing on crude oil, so as to make certain of no interference with present output.

According to the report of the Bureau of Mines, 1,223,000,000 gallons of gasoline were made in the first six months of 1917. In April, May and June, last, gasoline manufacture averaged about 220,000,000 gallons a month. Out of the total of 1,223,000,000 gallons, refiners in the Oklahoma-Kansas field produced the largest amount, or 331,000,000 gallons. Refiners along the Atlantic coast made 218,000,000 gallons. Perhaps the largest increase was shown by refiners in Colorado and Wyoming, and they are located almost entirely in Wyoming. They manufactured more than 63,000,000 gallons in the first six months of this year, or at the rate of 125,000,000 gallons a year, compared with 76,000,000 gallons a year ago.

Local option in taxation for Toronto is suggested by Assessment Commissioner Forman. By this means the city could obtain an increased revenue and could impose a more comprehensive income tax.

About $25,000,000 has been subsubscribed to the local Red Cross by New York City. New York membership has increased from 40,778 to 70,000.

SOME REVIVAL OF INTEREST IN 'CANADIANS'

High Returns Beginning to Attract Attention in England.

CONDITIONS ARE FAVORABLE

British Financial Paper Points Out How Canada Has Been Improving Position and Should Continue To Do So.

In British investment circles there is some revival of interest in Canadian securities. However, for the most part Canadians are, so to speak, out of fashion for the time being, despite the fact that it is quite easy for the investor to obtain a yield of from 6 to 7 per cent. on good class securities ranking from provincial guaranteed loans to well secured debentures or preference stock of the leading industrial companies. This conditions of affairs is a marked contrast to the situation for several years preceding the war, when the appetite for Canadian securities in Great Britain appeared to be insatiable. Government, municipal or corporation loans offered on the other side were eagerly snapped up and the general level of quotations ruled very high as compared with other returns at that time, the average being only from 4 to 5 per cent. Under the circumstances Canadian securities deserve the attention of the far-sighted British investor in the opinion of *The Financier*, which points out that the present range of quotations is entirely due to war conditions and, therefore, of a temporary character.

Speaking of general conditions in Canada *The Finacier* calls attention to the Dominion's favorable trade balance, as the result of the war, which has given an important stimulus to Canada's manufacturing industries; also to the development of agriculture, which was arrested for a time by conditions caused by the war, including the contraction of credit and the depletion of available supplies of labor, but which has received incentive in the urgent necessity to defeat the submarine menace while at the present time Canadian farming methods are more scientific than at any period in the country's history and every effort is being made to increase the area under cultivation. When peace comes, therefore, the experience obtained will be invaluable and the exploitation of the huge areas still practically untouched will provide work for thousands of returned soldiers and will tend to create a new era of prosperity throughout the Dominion. *The Financier* continues:

The British neglect of Canadian investments, therefore, is not likely to last. After the war attention will be directed to the solid progress made in the Dominion during these troubled years, and the British public will in all probability be only too anxious to participate in the land and industrial booms that seem bound to ensue. It must be admitted that certain incidents, such as the Toronto Power scandal, have contributed towards this attitude on the part of the public, apart from which there is the patriotic view that British money can best be employed during the war in supporting our own Government loans and home industries. Nevertheless, there are many investors who have subscribed freely to the latter, and who are now tempted to look further afield for securities giving a higher return than is obtainable from our own War Loans with a substantial margin of security. Such investors may be interested to note the yields obtainable at present prices from typical Canadian securities, such as:

	Price	Yield (includ. redemption) £	s	d
Canadian Pacific	166	6	0	0
Vancouver and Districts 4½%	79	6	0	0
Grand Trunk 4%	67	6	1	3
Maisonneuve 5% Debs.	85½	6	4	6
Moose Jaw 5% Debs.	83½	6	7	6
General Electric 7% pref.	100½	6	10	0
Edmonton 5% Debs.	81½	6	11	0
South Vancouver 5% Cons.	78½	6	12	6
Dom. Iron and Steel 5% bds.	75½	6	13	6
Vancouver 4% Cons.	66	6	13	6
C.N.R. 4½% debs. (guaranteed by British Columbia), 1952	73½	6	14	0
Can. North-Western 4½% Debs.	77	6	14	0
Grand Trunk Pacific 4% Debs.	59½	6	15	0
Dominion Steel 6% Cum. Pref.	87¼	6	18	6

The list is by no means exhaustive. We have included a few only of those securities which seem to us to be undervalued, and there are many others, both lower and higher yielding, than the above that merit attention.

The Value of the C.P.R.

"The case for Canadian Pacific was admirably stated by our correspondent "Imperialist," who showed that the break-up value of the assets is equal to approximately 300 dollars per share, as against the current quotation. Even this price would still be valuing the railway at far less than the average of comparable lines in Canada and the United States, and would allow nothing for the enormous undeveloped mining and other assets, which are entered in the balance-sheet at only a nominal sum.

We have included in our list Grand Trunk Four Per Cent. Perpetual Debentures and Grand Trunk Pacific Four Per Cent. Debentures, in spite of the low level to which the company's finances have been reduced, necessitating the passing of the dividend on the Guaranteed and Preference stocks. In the event of nationalization these securities would become obligations of the Dominion Government. The only alternative to nationalization would appear to be to grant to the Grand Trunk such an increase in fares as to compensate it for the great rise in working expenses, and thus to assure the maintenance of an efficient system. The Grand Trunk Pacific, if not actually absorbed, must evidently be financed by the Government until it becomes more self-supporting. The more speculative industrials and the best of the land shares, including Hudson's Bays, should be worth buying at present prices to hold until after the war.

BRITISH VIEW OF CANADIAN BANKS

Annual Review of The Economist—Canada's Financial Position is Well Regarded.

In reviewing the Canadian banking year, ending June 30th, in its special **Banking Number**, the *Economist* refers particularly to one of two features which are considered of the highest importance. The closing of the London market to municipal borrowers is emphasized. New York took London's place for a time, but with the entry of America into the war and the flotation of the huge Liberty Loan, the American market, too, became closed. Therefore, the arrangement of the Dominion Government loan in New York was of exceptional importance, especially in view of the enormous proportion of Canadian imports which came from the United States. Canada's pre-war import excess was turned into a large export balance, but the difficulty in the financial position lay in the fact that, whereas most of the exports went to Europe, the lion's share of the imports came from the United States. In Canada itself great manufacturing activity was the feature of the industrial year and the banks were called upon for a large increase in mercantile loans. Since the close of the year munitions orders are reported to have fallen off substantially, says the *Statist*, but the gap is being filled by a great speeding-up of shipbuilding work.

Below is a summary of the figures of the past three years of the seven Canadian banks with offices in London. Attention is called to the fact that deposits have increased considerably, though the increase would have been a good deal greater had the year closed a month or two sooner. Currency in circulation expanded greatly. To sum up broadly, the *Economist* says the Canadian banking system has again shown its adaptability in supporting an ever-growing strain of war finance, and in looking to the future it should be remembered that the banks are by no means overburdened with holdings of public debt.

Banks	7	7	7
No. brchs.	1,473	1,439	1,491
Cap. & res.	£23,730,164	£23,730,165	£23,818,164
% of liab.	12.3	10.2	9.6
Notes	12,034,445	13,838,232	16,696,710
% of liab.	6.3	6.2	6.7
Deposits	145,911,275	177,079,956	199,285,279
% of liab.	75.8	79.3	80.2
Total assets or liab.	192,384,515	223,077,555	248,273,628
Cash money at call and short	64,458,514	95,972,044	99,818,860
% of liab.	33.5	43.0	40.2
Invest.	14,516,943	17,941,791	33,023,861
% of liab.	7.5	8.0	13.3
Dis. and advances	103,977,449	101,399,677	107,218,296
% of liab.	52.4	45.5	43.1

U. S. EXPORT TRADE

Quarter Ending September Showed Marked Falling Off.

It is now practicable to estimate the effect of the recent restrictions upon the export trade of the United States, or at least the changes in that trade which have followed the President's proclamation prescribing limitations upon exportation. This original proclamation was issued July 8, to become effective on July 15, and was followed by sundry orders and regulations further affecting the outward movements of merchandise of various classes.

July, August and September show a marked fall-off in exports when compared with the corresponding months of the preceding year. July showed a fall of approximately $70,000,000, August $20,000,000, and September $59,000,000. Every month of the year prior to that in which the embargo became effective had shown an increase in export, every month since the embargo has shown a decrease.

BRITISH CATTLE SUPPLY COMPANY TO BE WOUND UP

Steps Taken for the Appointment of Permanent Liquidator.

PROPERTY NOT AVAILABLE

Difficulties Arose as to Raising Capital and in Regard to Negotiations With British Land Corporation.

An order for the winding up of the British Cattle Supply Company has been granted in the Supreme Court of Ontario, and a permanent liquidator for the company will be appointed on Wednesday, November 21. This termination of the company's activities was brought to a head by a suit entered by the World Publishing Company against the British Cattle Supply Company, and The National Livestock Association, for a bill for printing of $300. After considering the matter, the directors of the company paid this amount and had the suit withdrawn and themselves asked for a winding-up order.

THE FINANCIAL POST learns on reputable authority that the difficulties into which the company has fallen have been due to the failure of the corporation holding the land to live up to their part of the agreement. This agreement was that the British Cattle Supply Company should turn over to the British Land Corporation stock totalling two and a half million dollars in return for lands held by the latter company. These titles were to have been turned over by Nov. 1, the stock transfer was actually made but it is understood that the titles to the lands are still not available. As a result the stock of the British Cattle Supply Company had very little behind it.

Some effort was made to float the stock in Canada, shortly after the company was formed, but this effort did not meet with a very enthusiastic response. We are informed that some $7,500 went into the company's treasury as a result of these sales. The total liabilities of the company to date are said not to exceed $30,000.

A Winnipeg civic official predicts much higher taxes during the next few years. The big aqueduct, patriotic levies, increased salaries, are all harbingers of an increased rate. It is forecast that nothing but some new avenue for taxation can prevent the 1918 tax rate being at least 20 mills and the 1919 rate 24 or 25 mills.

October tax receipts in New Westminster were $9,000 greater than for the corresponding month of 1916. The total tax receipts for ten months were $250,000, as against $245,000 last year.

For Victory!

Duty to Canada in the War is not measured by the extent of each man's ability to serve. Everyone, whatever his ability, is expected to use it to the full.

The duty of buying Canadian Victory Bonds is not confined to those who have large sums of money awaiting investment. Because helping on with the War is the affair of every citizen, it has been made possible for *everyone* to buy a bond. Victory Bonds are being offered in denominations as low as $50.

Buy Victory Bonds

If you have not bought *your* Victory Bond, send in your application to-day to the local Victory Loan headquarters.

National Trust Company Limited.
18-22 King St. East
TORONTO

Situation Vacant.

YOUNG woman with good education and secretarial experience wanted for important position in newspaper office. The work will be hard and trying on the nerves, but there is splendid opportunity for advancement for anyone who can handle work efficiently. Sate fully age, experience and salary expected. Box 500, FINANCIAL POST OF CANADA.

UNLISTED SECURITIES.

BONDS.	Rate %	Maturity	Bid	Asked
Atlantic Sugar	6	1 July 1931	..	85½
J. H. Ashdown Hardware Co.	5	1 Jan. 1928	..	91½
Belding-Paul-Corticelli	5	1 May 1936	77	79
Black Lake Asbestos	6	2 Jan. 1933	20	23½
Brandram-Henderson	6	1 Oct. 1936	99	..
P. Burns & Co.	6	1 April 1924	101½	..
P. Burns & Co.	6	1 Jan. 1931	..	98
Canada Light & Power	5	1 July 1949	42	45½
Canada Steel Foundry	6	1 Mar. 1939	..	88
Canada Salt Co.	6	1 Sept. 1934	94	100
Thos. Davidson Mfg. Co.	6	1 April 1932	94	97
Wm. Davies Co.	6	2 July 1926	99	102½
Dominion Iron & Steel Co.	5	1 Sept. 1939	76	79
Dominion Power & Trans. Co.	5	1 April 1932	..	89
Dominion Park Co.	6	1 July 1921	94	..
Dunlop Tire & Rubber Goods Co.	6	1 Mar. 1927	98	101
Eastern Car Co.	6	1 July 1952	93	96
E. B. Eddy Co.	6	14 June 1935	98½	..
Electric Development Co. of Ontario	5	1 Mar. 1933	83	85½
Harris Abattoir Co.	6	1 Feb. 1928	98	100
Laurentide Power Co.	5	1 Jan. 1946	82	85½
Matthews-Laing	6	1 Dec. 1931	94	97
Maritime Coal, Railway & Power	5	1 April 1934	..	71
Montreal L., H. & P. Co. (Lachine)	5	1 April 1933	89	92
Montreal Steel Works	6	1 Dec. 1940	..	95
Mexican Northern Power Co.	5	1 Jan. 1939	11	13½
National Telephone Co.	5	1 Nov. 1929	48	52
Ottawa Electric	5	1 June 1933	..	95
N. S. Steel & Coal Co.	6	Debentures	87	90
Quebec, Montreal & Char. Railway	5	1 June 1923	..	89½
Quebec-Jacques Cartier Electric	5	1 Dec. 1931	..	69
Sawyer-Massey Co.	6	1 April 1927	94	100
Shawinigan Water & Power Co.	5	1 July 1934	88	91½
Sherbrooke Railway & Power	5	1 June 1940	..	70
St. Lawrence Flour Mills	6	1 Jan. 1933	96	100
St. Lawrence Sugar Refinery	6	1 June 1932	93	95½
Sterling Coal Co.	5	1 Jan. 1940	69	72
Toronto Paper Co.	6	1 Sept. 1942	88	93
Toronto Power	5	1 July 1924	..	85¾
Wabasso Cotton Co.	6	1 June 1947	78	80
Western Canada Flour Mills	6	1 Mar. 1928	99¾	103½
Western Canada Flour Mills	6	1 Sept. 1931	95	98½
Western Power Co. of Canada	5	1 July 1949	..	62

STOCKS.	Bid	Asked
Abitibi Power, com.	42.00	50.00
Can. Machinery, pref.	42.00	50.00
Dom. Pow. & Trans., pref.	91.00	97.00
Dom. Permanent Loan	68.00	70.00
Eastern Car, 6's	92.00	96.50
Ford Motor	.....	.....
Goodyear Tire & Rubber, com.	.....	.....
Home Bank	64.00	67.00
Imperial Oil	340.00	370.00
Lambton Golf Club	.....	.....
McDonald, pref.	83.00	87.00
Ont. Pulp Bonds	.....	.....
Stand. Rel. Ln. (par 50)	46.50	50.00
Brompton Pulp	.....	39.00
Black Lake, com.	1.00	3.00
Do., pref.	.....	4.00
Do., Inc. bonds	.....	27.00
C. P. R. Notes	.....	103.00
Carr. Factories, com.	15.00	.....
Do., pref.	50.00	.....
North American Pulp	2.00	2.50
Steel & Rad., com.	.....	15.00
Do., pref.	60.00	.....
Macdonald, com.	12.50	13 50
People's Loan	80.00	90.00
Wes. Can. Flour, com.	92.00	115.00
Volcanic Gas	.....	63.00
Abitibi Power, pref.	83.00	87.50
Amer. Sales Book, pref.	.....	92.00

BRITISH VIEW OF OUR INCOME TAX

Faithful Begg Offers Some Interesting Comment On Our Taxation Measure.

While the new Dominion Income Tax has been received with very little opposition in Canada, and while there has been no very strenuous criticism of the principles involved, it is interesting to know how the move is being received outside of this country by absent investors who are vitally concerned. In this connection The *Financial Times* of London prints an illuminating article by Faithful Begg, who is well known to Canadian financial circles. Mr. Begg takes up several points upon which he has reached the conclusion that there is room for much difference of opinion as regards the application of the act. He also offers the criticism that too much authority is placed in the hands of the Minister of Finance. Further he takes up the double-income phase from the standpoint of the British investor—a matter which is evidently receiving considerable attention on "the other side."

Mr. Begg's views should be regarded with interest. They represent an opinion of us held by the British investor whose affairs have recently been given but scant consideration by Canadian politicians who seemingly forget that this country may in the future again have need to appeal for those funds which have already played such an important part in the country's development. We quote as follows:

> The direct and indirect effect upon British investors requires to be taken into account—that is to say, as far as it can be estimated at the present stage—the principle of "collection at source," which has been adopted, for example, will throw a heavy responsibility upon all employers in Canada and, of course, there will be included in this category many companies domiciled here, but carrying on business in the Dominion. The "normal" tax, as it is called in the Act, is to be assessed upon the income during the preceding year of every "person" residing or ordinarily resident in Canada or carrying on any business there. By definition in the Act the word "person" means any individual, syndicate, association or body corporate, so that the word includes all English or foreign companies engaged in business in the Dominion. By another section of the Act, in the case of "persons" residing or having their head office or principal place of business outside of Canada the assessable income is declared to be the net profit or gain arising from the business of such "person" in Canada, with exemption to the extent of $3,000 annually. There is evidently matter here for much difference of opinion, and the Courts will no doubt have much to say on the point before a working basis is reached.
>
> Too Much Left to the Minister.
>
> Too much in this connection and in other portions of the Act is left to the Minister for the time being. For example, "taxpayer" is defined to be any person paying, liable to pay, or "believed by the Minister to be liable to pay" any tax imposed by the Act. There are other wide powers of discretion vested in the Minister for the time being out of which will doubtless arise much discussion in the future. In addition to the "normal" tax there is provided a super-tax, but for this companies are declared not to be liable. The sooner, therefore, all individuals doing business in Canada form themselves into corporations the better for them.
>
> There are numerous exceptions to the incidence of the Act. For example, the incomes of companies in which ninety per cent. of the capital is owned by a province or municipality. This clearly will exempt such concerns as the Ontario Hydro-Electric Commission, which has earned such an unenviable notoriety by unfair competition with private local companies. The incomes of insurance, mortgage and loan associations operating entirely for the benefit of farmers are exempt, which seems a strange provision in view of the prosperity now enjoyed by all engaged in agriculture. But doubtless there was good political reason for this exemption. There is one provision which will lead to endless discussion, if indeed it does not prove unworkable. It is stated that for the purposes of the "normal" tax (nothing is said under this head about super-tax) the income embraced in a personal return shall be credited with the amount received as dividends upon the stock *or from the net earnings of any company or other person* which is taxable upon its income under the Act. The point is in the words in italics. How is this to be done? Who will decide and how is the individual shareholder to protect himself?
>
> Double Income Tax.
>
> **Many minor points in the Act might be discussed, but it is impossible to overlook the fact that by this legislation Canada has embarked upon the policy of imposing a double income tax within the Empire. So much has been said upon the principles of such a tax that it is needless to recapitulate the arguments. It has come to be universally recognized that this principle is unsound and eminently unfair to the taxpayers. The recent Budget has recognized this by a special concession, and a promise has been made of full reconsideration after the war. Why should Canada in these circumstances choose this particular time to pass an Act in which this admittedly unfair principle is incorporated? No doubt the Double Income Tax Association will at once take the matter up, and it is to be hoped will press definitely and strongly for a modification. The principle of such a tax is condemned both at home and by leading Colonial statesmen, and no time should be lost in pointing this out to the Canadian Government.**

CANADIAN STOCKS

Quotations of listed Securities on the Montreal and Toronto Stock Exchange, with prices at closing on Nov. 17, in stocks listed on both Exchanges prices quoted are those of the market in which a stock is the more active. (Reserve Funds, Profit and Loss, include all Reserves except "Depreciation.")

BANKS

Capital Stock Outstanding	Reserve Fund	Profit and Loss	Net Earnings % 1916	Dividends 1914	Dividends 1915	Dividends 1916	Last Dividend Date 1917	Last Dividend Rate	Yield to Nov. 8	BANKS	Range 1914 High	Range 1914 Low	Range 1915 High	Range 1915 Low	Range 1916 High	Range 1916 Low	Range 1917 to Nov. 8 High	Date	Low	Date	Close Nov. 16 1916 Ask	Close Nov. 16 1916 Bid	Close Nov. 17 Ask	Close Nov. 17 Bid	Week ending Nov. 12 High	Low	Last	Sales	Minimum Price
4,866,666	3,017,333	332,955	11 24	8	7	7	8th Apr.	s. 3	5.35	British North America	150	145	145	145	112	110	112	Jan. 29	112	Jan. 29									112
15,000,000	13,000,000	802,319	16 26	10+2	10+2	10+2	1st Sept.	q. 2½	5.40	Commerce	218	199½	205	203	203	183	188	Feb. 27	183	Apr. 5	186	186	181½		185	185	185	10	185
6,000,000	7,000,000	363,442	15 78	12+2	12	12	2nd Oct.	q. 3	5.94	Dominion	233	218	229½	227	220	204	212⅛	Jan. 9	203	June 28			202		202	202	202	3	202
3,000,000	3,300,000	209,556	14 73	12	12	12	1st Sept.	q. 3	6.52	Hamilton	207	198	208	201	197	246¾	192	Mar. 17	184	Oct. 26		192	184		184	184	184	24	184
4,000,000	3,700,000	42,711	13 65	9	9	9	1st Sept.	q. 2¼	6.42	Hochelaga	155	149	150	149	149	145	145	Jan. 9	140	Oct. 18	147½		140		140	140	140	38	140
7,000,000	7,000,000	1,089,656	14 73	12	12	12	1st Nov.	q. 3	6.48	Imperial	218	210	214	210	203	180	200½	Jan. 11	185	Oct. 12		201	185		185	185	185	9	185
1,946,373	300,000	42,791	8 44	7	7	5	1st Sept.	q. 1¼	4.42	Home Bank	116	110																	
7,000,000	7,000,000	421,293	16 00	10	10	10	1st Nov.	q. 2½	5.98	Merchants	193	177	180	180	180	150	170	Jan. 3	167	July 25	173		167		167	167	167	22	167
4,000 000	4,800,000	127,549	13 20	11	11	11	15th Oct.	q. 2¾	6.11	Molsons	205	194	202	200	195	182	186	May 19	179½	Jan 24	186½		179⅞		179⅞	179⅞	179⅞	104	179⅞
16,000 000	16,000,000	1,414,424	13 75	10+2	10+2	10+2	1st Sept.	q. 2½	4.76	Montreal	250	227½	240	234	240½	219	234	Jan. 11	210	Oct. 5	220								210
2,000,000	2 000,000	59,966	20 88	8	8	8	1st Nov.	q. 2	5.36	Nationale	133½	131	132¾	132¾	134	134	149	July 31	134	Feb. 5									148
6,500,000	12,000,000	584,654	19 26	14	14	14	3rd Oct.	q. 3½	5.62	Nova Scotia	265	257	265	261	261	254	257½	Mar. 9	248½	Oct. 18		256							248
4,000,000	4,750,000	118,179	14 77	12	12	12	18th Sept.	q. 3	6.00	Ottawa	208	201	207	207	204	202	202	Mar. 8	200	Feb. 23	202								201
12,000,000	12,560,000	852,346	17 59	12	12	12	1st Sept.	q. 3	5.76	Royal	228	218	223	221½	221½	210	214	Feb. 13	208	Oct. 22	210½		205		208	208	208	28	208
3,333,242	4 333,242	153,543	17 40	13	- 13	13	2nd Nov.	q. 3¼	6.50	Standard	223½	208½	220	215	221	211½	215	Jan. 2	200	Oct. 24		220							200
1,212 173	300,000	60,829	13 32	6	6	6	15th Nov	q. 1½	6.12	Sterling	98½	98																	
5,000,000	6,000,000	507,989	14 60	11+1	11	11	1st Sept.	q. 2¾	5.78	Toronto	215	203	211	207	215½	190	213	Jan. 30	187½	Sept. 5									187
5,000,000	3,400,000	93,160	13 02	8+1	8+1	8+1	1st Sept.	q. 2	5.83	Union	147½	137	140½	140	140	132	142	July 30	135	Oct. 25		136	140	136	139	139	139	47	136

TRANSPORTATION—RAILWAYS, NAVIGATION AND STREET CARS

Out-standing Common Stock	Out-standing Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1915	1916	Date	Rate	Yield	Name	1914 High	1914 Low	1915 High	1915 Low	1916 High	1916 Low	1917 High	Date	Low	Date	Nov. 16 1916 Ask	Bid	Nov. 17 Ask	Bid	Week High	Low	Last	Sales	Minimum Price
27,450 000	10,000,000								Barcelona, T. L. and P.	35½	15½	17⅞	7⅞	17	19	17	Jan. 4	8⅛	Oct. 19	14	13½	8	7¾	8	8	8	130	
106,289,100			4,367,832	4	4	1st Mar.	q. 1	9.09	Brazilian Traction L. and P.	92	53½	59¾	45	62⅝	43	47¾	Jan. 2	31¾	Oct. 30	49	48½	32¼	32	32⅜	32	32¼	3,014	32
	10,000,000			6	6	1st Oct.	q. 1½		Brazilian Traction, Pref.																			
12,000,000		9,202,013	1.1951,936						Canada Steamships Lines, Com			20	6	45	16	45⅝	Aug. 22	29¾	Feb. 3	36½	36½	39¼		39⅛	39⅛	39¼	532	39¼
	12,500,000			6	3½	16th Nov.	q 1¾	9.85	" " " Pref			76½	59	95½	89¾	93¾	Jan. 29	71	Vov. 8	91	90½	76		76	76	76	140	76
260,000,000	80,681,921	234,684,062	221,819,770	10	10	1st Oct.	q. 2½	7.40	Canadian Pacific Railway	219⅝	171½	195½	139¾	182½	163¾	167½	July 9	132½	Nov. 5	173¾	172½	133	131½	137	131	131	22	
12,500,000		35,974,000	7,871,472	6	6¾	1st Sept.	q. 1¾	6.66	Detroit United	73¾	55	73	62	128½	69	128	Jan. 3	101¾	Oct. 29									104¾
3. 00,000	1,500,000	3,410,000	753,332	2	p	1st July '15	s. 1	8 66	Duluth Superior Traction Co., Com.	67	55	60	55	49	37	51	Feb. 22	40	Aug. 24		44							42
12,252,000		3 711,000	1,667,644	3	3				Illinois Traction, Com.							35	Sept. 20	32½	Oct 29									35
	7,135,500			6	6	2nd Oct.	q. 1½	7.50	Illinois Traction, Preferred	95	95	93	91	91	87¾	89	Feb. 22	79	Oct. 11	89								80
20,000,000		16,381 333				1st Nov. '13	q. 1¾		Mexico Tramways Co.																			
25,206,800	12,603,400	::.525,200	19,894,836	7	7	15th Apr.	s. 3½	.73	Minn., St. P. and S.S.M., com	134¾	116½	126¾	116½															
3,343 600		32,608,000	1,378,975	10	10	1st Nov.	q. 2½	6.06	Montreal Tramways	230	190	220	220			181	Jan. 5	144	May 12									150
-9,000,000	4,465,500	14,075,000	2,428,908	5	5	15th Sept.	q. 1¼	6.84	Northern Ohio Traction			73	73															
3,000,000		3,975,667	94,415			1st Oct. '14	p. 1	10 53	Porto Rico Railways Co., Com.	71	45	51	45	49½	30	42	Jan. 27	30	Oct. 18	43	42							
	1,000,000			7	7	3rd Oct.	q 1¾	8.75	" " " " Pref.	103½	101			30														
9,999,500		10,797,000	562,902			15th Jan. '12	q. 1 p	8.00	Quebec Railway L., Heat & P. Co.	16¾	10	20½	9⅛	45	14	35½	Jan. 2	14¾	Oct. 24									15
12,000,000		3,184,633	6,257,025	8	8	1st Oct.	q 2	13.33	Toronto Railway	144¾	110	117½	111	111	72	90½	Mar. 12	58½	Oct. 30	82	82	60		60	60	60	131	60
22,000,000	3,000,000	20,263,000	8,272,009	6	6	1st Oct.	q 1½	8.21	Twin City, common	108½	99¾	101	93	101	93⅜	95	Jan. 3	73	Nov. 8	96½	96		59½	73	69½	69½	245	
9,000,000		10,880,000	4,.292,068	9½		1st Jan. '16	q. 2½	18.75	Winnipeg Electric	210½	188	186½	180	110	90	81	Jan. 12	36	Aug. 10									48

TELEGRAPH, LIGHT AND POWER UTILITIES

Out-standing Common Stock	Out-standing Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1915	1916	Date	Rate	Yield	Name	1914 High	1914 Low	1915 High	1915 Low	1916 High	1916 Low	1917 High	Date	Low	Date	Nov. 16 1916 Ask	Bid	Nov. 17 Ask	Bid	Week High	Low	Last	Sales	Minimum Price
18,000,000		11,149,000	1,647,955	8	8	15th Oct.	q. 2	6.15	Bell Telephone	159¾	140¼	159	140	152	140	150	Feb. 5	129	Oct. 11	148½	148	130		130	130	130	21	130
4,882,000						1st Oct,	q. 2½	6.75	Consumers Gas	180	169	185	176	176	160	165½	May 10	147	Oct. 16	165			147	147	147	147	14	147
1,850,000		2,999,813	271,975						Calgary Power	59	53																	
63,717,200			572,614		4	15th Nov.	q. 1	5.79	Civic Investment and Industrial							82⅞	Jan 27	68½	Oct. 29			68½		68½	68½	68½	367	68½
41,380,400			1,913,344	5	5	1st Oct.	q. 1¼	8.33	Mackay, common	88	65½	70¼	65	69¼	64½	90	Feb 17	71	Nov. 5	86¾	85	72½	71¾	73	72	72½	246	
	50,000,000			4	4	2nd Oct.	q. 1	5.55	" preferred	71	32½	46	46	15	15	68	Jan. 16	10½	Oct. 25	67	66½	60		61	59⅞	59⅞	90	
13,585,000		21,073,833	318,522	p	p	30th Dec. '13th,	q. 1		Mexican Light and Power Co., com.	49⅞																		
	6,000,000			p	p	1st Nov. '13	s. 3½	4.73	" " " pref.																			
3,483,520		1,275,000	778,877	7½	6	1st Oct.	q. 1½	8 57	Ottawa, Light, Heat and Power Co.	172	124	123	120	95¾	92	92	Jan. 17	69¾	Oct. 18									69
15,000,000		12 440 761	2 444 279	6½	7	10th Oct.	q. 1¾	6.54	Shawinigan Water and Power Co.	142¾	111	139½	110	137	126¾	130½	Jan. 2	107	Oct. 29	134¾	134	107		107	107	107	70	107

INDUSTRIALS AND MISCELLANEOUS

Out-standing Common Stock	Out-standing Preferred	Bonds and Debentures	Reserve Funds Profit and Loss	1915	1916	Date	Rate	Yield	Name	1914 High	1914 Low	1915 High	1915 Low	1916 High	1916 Low	1917 High	Date	Low	Date	Nov. 16 1916 Ask	Bid	Nov. 17 Ask	Bid	Week High	Low	Last	Sales	Minimum Price
5,000,000	1,000,000	5,000,000	360,924		1¾	2nd Oct.	q. 1¾	14.60	Abitibi Pr. and Paper							58½	July 31	48	Nov. 6			48		48	48	48	5	48
6,514,000	7,895,200		525,403		6		s. 3		American Cyanamid							20	July 18	19	July 13									
3,5 ,000		914,000	9,038						Ames Holden McCready Co., com.	16	6	23	7⅞	35	19½	23¾	Jan. 3	12	Oct. 26		23							15
	2,500,000					1st July '14	q. 1¾	14.00	" " pref.	70¼	54	75	55	80½	52	61	Jan. 9	48	Mar. 1	66								47
4,215 400				3½	4	21st May	s. 4	8.75	British Col. Fish, com																			40
7 000,000	2,000,000	1,655,000	283,768			7th Nov.	1+¼		Brompton Pulp and Paper, com.							53	June 12	38	Oct. 16			39		39	39	39	295	39
750,000			482,517	4	6	1st Oct.	q. 1½	9.23	F. N. Burt Company, com	88	67	72½	70	88	72	85	Feb. 23	65	Sept. 26	63								65
	1,975,200			7	7	1st Oct.	q. 1¾	8.04	" " " pref.	100	89	75	89	96	86	93½	Mar. 5	86	Nov. 7			86		86½	86	86	11	86
2,500,000		1,226,111	105,993						Canada Bread, com.	33	18½	31½	29	30	16½	17	Feb. 6	13¾	Oct. 16			15		13	13	13	35	
	1,250,000			7	7	1st Oct.	q. 1¾	8.75	" pref.	92	89½	90½	90	90	87	86½	Jan. 5	80	Oct. 11	90	86							85
13,500,000		7,257,613	2,852,818	3	4½	16th Oct.	q. 1½	10.52	Canada Cement, com.	32	28	48½	28	73	37¾	69⅞	Jan. 4	56	Feb. 1			57		57	57	57	163	57
	10,500,000			7	7	16th Nov.	q. 1¾	7.77	" " pref.	93	98½	98½	89¾	9	86	95¾	Jan. 6	90	Feb. 3			90		90	90	90	39	90
4,186,700		5,539,602	1,927,054			2nd June '14	s. 2	16 00	Canadian Car and Foundry, com.	70	48	120	50	75	32	46½	Jan. 4	17	Oct. 20			18½		18½	18½	18½	20	18½
	7,500,000					1st July '14	q. 1¾	14.00	" " " pref.	109½	98	127	98	94	1¾	89	Jan. 3	49	Oct. 29	75	73	50		49½	49½	49½	10	49½
1,733,500		399,000	440,377	2		15th Nov.	q. 1	5.00	Canadian Converters	40	34	34	34	46	34	43	July 10	39	Feb. 21									43
2,715,500		4,750,000	1,663,571		2	4th Oct.	q. 1	8.16	Canadian Cottons, Limited com.	39	24	40	24	65	39	56	Jan. 3	46½	Sept. 14	66	65							48½
	3 661,500			6	6	4th Oct.	q. 1½	7.89	Canadian Cottons, Limited, pref	79	70½	77	71	82½	75½	82	Jan. 1	75	Sept. 6	82	81							76
1,600 000	1,500,000		1,334,466	6	6	15th July	s. 3		Canadian Fairbanks-Morse, pref.	92	92	95	95															
960,000		128,600	753,608	10	10+9	15th Nov.	q. 3	8.00	Canadian Foundries & Forgings, co					217	170	205	Jan. 4	150	Mar. 28	198	196							248
	960,000			7+3½	7	15th Nov.	q. 1¾		" pref					90	85	94	May 28											
2,000,000		1,545,000	749,322						Canadian Locomotive Co., com.	45	30	64½	30	64½	51	64	Apr. 12	52½	Feb. 3									58
	1,500,000			7	7	1st Oct.	q. 1¾	8.23	" " pref.	*90½	85	90	78	99	81	91½	Apr. 11	83	Oct. 3			84½		84½	85½	85½	5	84½
2,805,500		5,096,500	4,154,124			15th Oct. '14		4.44	Can. Consolidated Rubber, com.	91	91	91	91	91	84	99¾	Sept. 19	90	Mar. 22									90
	3,000,000			7	7	1st Oct.	q. 1¾	7.25	" " " pref.	*97	96½	101	100	97	91	97	July 3	95	Mar. 22	120								97
8,000,000			4,112,696	7	8	1st Oct.	q. 2	7.76	Canadian General Electric, com.	114⅞	90¼	128	90¼	121	108	115½	Jan. 24	100	Oct. 16	122	120	101½		101½	101½	101½	55	101½
	2,000,000			7	7	1st Oct.	s. 3½	6 66	" pref.			110½	110	112	110	106	Feb. 1	94½	Jan. 31									
1,200,000		488 500	315,978						Carriage Factories, Limited, com.			53½	35½	44	29¾	25	Jan. 13	9½	June 18									15
	1,200,000			3½		15th July '15	q. 1¾	10.00	" pref.			81	75	75	60													58
565,000		65,981	55,527	8	8	1st Oct. '16	q. 2	7.09	City Dairy, com	102	98	100	98	98	89	30	Mar. 30											30
	700,000			7	7	1st Jan.	q. 1¾	11.66	" pref.	101¾	98	102	98	100½	92	70	Apr 3	60	Aug. 15									60
6 500,000			1,623,274	5¾+3	8+12	15th Nov.	q. 2½	7.81	Dominion Bridge Co.	122½	107	230	107	231½	160	170	Jan. 4	125	June 23	212	211	128		128	128	128	15	128
791,500		1,838,000	608,415			1st Apr. '14	q.		Dominion Canners, com.	68⅝	27½	35	31	22	15	26	Mar. 6	19	Jan. 3									23¾
	2,290,600			1¾		1st Apr. '15	q. 1¾	9.33	" " pref.	96	80			65	61½	78	Feb. 7	65	Oct. 29									
37,097,700	7,000,000	22 167,366	8,946,516	p	1% 16	1st Oct.	q. 1	7.54	Dominion Steel Corporation, com.	41⅞	19⅞	51	19⅞	82	43	71¼	Jan 4	52	Feb. 3			53	52½	53½	52¼	53	1,345	52
	5,000,000	14,078,533		p	7	1st Oct.	s. 3½	7.95	Dominion Iron and Steel, pref.	*94	68	96	71	105	90	95	Jan. 3	87½	Oct. 29				88	88	88	88	5	88
15,000,000	3,000,000	6 300,500		7	7	1st Aug.	s. 3½	1.06	Dominion Coal, pref	106	97½	101	98	99	93	96½	Jan. 22	85	July 6									94½
5,000,000		3,697,500	1,193,534	6	6	1st Oct.	q. 1½	7.40	Dominion Textile, com.	86⅝	60	77	64	90½	74½	89	May 25	76½	Feb. 3	87½	87	80¾		80¾	80¾	80¾	10	80¾
	1,940,600			7	7	15th Oct.	q. 1¾	7.00	" " pref.	106½	100	103	101	105	101	105	Apr. 26	99½	July 5			100		100	100	100	15	100
2,250,500		1,100,000	238,033						Goodwins, Limited, com.	28	*23	28	26	40	40													
	1,750,000					2nd July '14	q. 1¾		" " pref.	*82	74			75	40	45	Mar. 20											45
747,500		261,000	886,226	6	6	1st Oct.	q. 1½	6.00	Goulds Manufacturing Co., com.	97¾	97½					100	Apr. 19											100
	747,500			7	7	1st Oct.	q. 1¾	7 00	" " " pref.							100	Oct. 4											100
5,660,575	:00,000		385,482						International Petroleum							15 30	Mar. 29	11 60	Feb. 2									
40,000,000		8,294,000	4,540						Lake Superior Corporation	22⅝	6⅝	9⅞	9⅞															
2,100 000		900,000	889,135	8	8	1st Sept.	q. 2	6.66	Lake of Woods Milling Co., com.	135	127	137	129	136¼	122	130	Jan. 2	120	Oct. 15									120½
	1,500,000			7	7	1st Sept.	q. 1¾	6 03	" " " pref	120	120	122	120	129	116	116	Jan. 31											
9,600,000		706,090	927,446	8	8	1st Oct.	q. 2½	6.57	Laurentide Co.	192¾	160	198	160	217½	176	195	Jan. 5	152	Oct. 29	216	215							152
1,750,000		1,086,900	204,102						Lyall Construction Co., com.					93	25	80	Mar. 21	53	Sept. 5	84								62
	1,300,000					30th June '13			A. Macdonald Co. com.	21¾	8	14	7	19½	10	15½	Mar. 12	8	Jan. 5									13½
3,000,000	1,766,800		273,020			18th Oct.	q. 2½	10.10	Maple Leaf Milling, com	47⅞	25	68	30½	122	100	115	Mar. 21	90	Feb. 3	120	117	104	101	101	98½	100	345	98½
2,500,000			1,402,332		9	18th Oct.	q. 1¾	7.52	" " " pref.	101	98	98	88	108	93	103	Feb. 10	91¾	Aug. 23		98	92		92½	92	92	33	92
	2,500,000			7	7	15th Sept.	q. 1		Montreal Cottons, Ltd., com.	58	56	56	51	63	50	58½	Jan. 4	49	June 11									80
2,949,600		825,249	2.21 ,426	4	4	15th Sept.	q. 1¾	7 00	" pref.	103	97½	100½	99	115	99	103	Jan. 24	99	July 25	103								99½
	3,000,000			7	7	1st Nov. '13	q. 1½		Monarch Knitting Co., com	40	25	27	25	40	25½	40	Jan. 2	30	Oct. 2				30	30	30	30	42	30
1,275,000			292,298			1st Nov.	q. 1¾	8 75	" " pref	90	82	82	82	83	80	81	Jan. 10	80	Jan. 2	82	80							73
	750,000			7	7				National Steel Car, com.							21	Jan. 4	5	Sept. 18									
2,000,000			527,504			15th Oct.	q. 1½		" " pref							78	Jan. 2	17	Oct. 31									
	1,5 0,000				3½	14th July	s. 2½	6.25	Nova Scotia Steel, com	79	39	107	45¾	154½	93¼	128	Jan. 4	77⅛	Oct. 24									79¼
7,500,000		9,787,196	5 535,086			15th Oct.	q. 2		" " pref.	120	110	125	110	115	110	112	Jan. 4	105	June 25									
	1,000,000			12	12	1st Oct.	q. 2½	7.14	Ogilvie Flour, com.	123	107	144	107	152	127⅞	158	Sept. 19	137	Feb 27			140¼		140	140	140	34	140
2,500,000		2,350,000	846,330	8	8+4	1st Sept.	q. 1¾	6.36	" pref.	117	105	120	113	116	44½	115	Jan. 19	107	Oct. 26									
	2,000,000			7	7				Ont. Steel Products, com.					45	19	34	Jan. 4	18	Mar. 16									22½
750,000		600,000	123,076			15th Nov.	q. 1¾		" " " pref.					91½	73	74	Apr. 14											
	750,000			3	5½	1st July	s. 1	9.09	Pacific-Burt Co. com.	32	*28	31	28	29	20	40	Mar. 20	28	Jan. 9	23								35
650,000			65,174	2	2	1st Oct.	q. 1¾	8.56	" pref.	85	82½	85	80	83¼	77½	82	June 8	79	Oct. 23	80								79
	650,000			7	7	15th Sept.	1+2½	8.75	Paton Manufacturing Co.																			124
500,000			644,955	7+3	8+3	15th Nov.	q. 1	6.06	Penmans, Limited, com.	55½	48	62	49	78	60	73½	Mar. 26	64	Oct. 10		77	65		65	65	65	7	65
2,150,600		2,000,000	2.172,492	4	4+1	1st Nov.	q. 1½	7.31	" pref	84¾	79½	83	82	90	82	86	Apr. 10	81½	Jan. 3									81⅞
	1,075,000			6	6	16th Sept. '16	1¼	5.00	Price Bros.	60	70			132	60½	134	July 25	115	Mar. 30									120
5,000,000		6,185 726	3,055,551			15th Nov.	1½+1	8.54	Riordan Pulp and Paper, com.					150	59	127	Jan. 3	106	Feb. 3									117½
4,500,000		1,881,500	1,338,870		3½+1	30th Sept.	q. 1¾	7.60	" " pref.							95	Jan. 16	90	Jan. 17			92		92	92	92	12	92
	1,000,000			7	7	1st Oct.	q. 1½		William A. Rogers, Ltd., com.	147	96	103	96	99	85	80	Feb. 15	65	Apr. 19	90			40	40	40	40	10	40
1,500,000		600,000	526,148	6	6	1st Oct.	q. 1¾	9.28	" " pref.	106	99	99	99	99	87	92	Jan. 4	90	Feb. 14				90	90	90	90	1	85
	900,000			7	7	1st Nov.	q. 1¾	14.00	Russell Motor Car, com.	20	5	50	10	114	32	92	Jan. 4	50	Oct. 26	64	61							50
800,000			Def. 204,009			1st Nov.	q. 1¾	9.72	" " " pref.	49	25	76	25	139	66	122	Apr. 3	72	Oct. 15	97	96							70
	1,200,000								Sawyer-Massey Co., com	30	25	33	25	30	20	24	Mar. 16	8	May 21	25	21							
1,500,000		617,900	161,611			2nd June '14	q. 1¾		" pref.	88	69	76	69	134½	58	41	Oct. 9	40½	Oct. 10									40
	1,500,000								Sherwin-Williams, com.	60¼	53	57½	55	99½	53½	60	Oct. 11	56	Feb. 5									60
4,000,000		1,912,500	1,454,361			1st Oct.	q. 1¾	7.14	" " pref	104	97	100	98¾	100	97½	100	Jan. 6	98	Jan. 11	99								99
	3,100,000			7	7	1st Oct.	q. 1½+1		Shredded Wheat, com.	90¾	.78	102	92	140¼	102¼	137¾	Mar. 1	112	Oct. 19		138½							112
8,750,000			486,357	6	6	1st Oct.	q. 1½		" " pref	*94	*92½	99	93	120	95	95	Feb. 19	95	Feb. 19									
	1,250,000			6	6	1st Sept.	q. 1½	8.33	Smart-Woods, Ltd., com	20	18	15	20	65	33	55	Jan. 12	44	Aug. 6			61	55	61	60	61	150	53½
1,7ı8,600		512,500	989,649			15th Oct.	q. 1¾	8.13	" pref			45	20	101	84	86	Nov. 6	80	Apr. 27									86
	1,546,500			1¾	15¾	20th Oct.	q. 1¾		Smith Paper Mills H																			65
1,062,500	475,000	178,320	32,850						Spanish River Pulp Mills, com.	16¾	9	9⅝	3	24½	3½	19	Jan. 4	12½	Aug. 8	23½		14		13	13	13	50	13
8,000,000		5,332,113	385,219			15th July '13	q. 1¾		" pref.	*51	31	35	35	70	29	59¼	Jan. 11	47	Aug. 15									50
	5,699,100					1st Nov.	q. 1+½	12.00	Steel Co. of Canada, com.	20	11	48	8½	88¼	34¼	71½	Jan. 4	47½	Nov. 5	77⅞	77½	50	49½	50¼	49½	50	677	49½
11,500,000		9,522,300	7,763,602		4	1st Nov.	q. 1¾	8.23	" " " pref.	87⅜	69	95	69	107¼	82½	100½	Jan. 2	84½	Oct. 29		99	84½		84½	84½	84½	33	85¼
	6,496,300			7	10½				Stannard Chemtnal, pfd							56	July 7	49	April 30									55
650,000			134,016						Tooke Bros., com	26	15	18	16	25	16													19
	985,000			1¾	8¾	1st Sept.	q. 1¾	9.72	" " pref.	81	75			83	78	79	Jan. 4	70	Aug. 28									72½
750,000		500,000	341,590		5	30th Sept.	3+2	5.55	Toronto Paper Co.	61	30	45	25	96	44	90	May 17	72	Jan. 16	90	89							70
2,500,000			276,452						Tuckett Tobacco, com.	47	29	29½	29	25	23½	22¼	Jan. 18	17	Oct. 16	28	23½							18½
	2,000,000			7	7	15th Oct.	q 1¾	8.75	" " pref,	101	90½	90	90	90	75	83½	Jan. 18	78	Apr. 30		57							80
5,000,000		3,500,000	697,275						Wayagamack com	32⅜	21	26½	26			95	Jan. 11	50	Aug. 30	100	99							50

LOAN, INSURANCE AND FINANCIAL STOCKS AND MISCELLANEOUS

Common Stock out-standing	Bonds, Preferred Stock or Debentures Out-standing and Int.	Reserve and Contingent P. & L.	Dividends 1917	Last Dividend Date	Last Dividend Per cent.	LOAN AND TRUST	Range for Year 1915 High	Range for Year 1915 Low	Range for year 1916 High	Range for year 1916 Low	Latest Price Ask	Latest Price Bid	Last Sale
205,000	4,122,853	1,244,392	9	1st Oct.	q. 2¼	Canada Landed	162	157½	163	157½	154		151
000 000	20,905 084	5,19 ,652	10	1st Oct,	q. 2½	Canada Permanent	188	183	183	168½		167½	169
750,000	4,095,238	1,807,053	10	1st Oct.	q. 2½	Central Canada	190	190			190		
453,595	624,548	411,463	6	2nd July	s. 3	Col. Investment, pref.	81	78	76	70	74		68
934,395	1,072,384	252,541	5	1st July	s. 2½	Dominion Savings	81	81	80	80		81	78
411,863	2,318,270	701,646	8	1st July	s. 4	Great West Per.							89½
200,000	2,312,901	1,691,062	8	2nd July	s. 4	Hamilton Provident	140½	135	140	138		137	137
503,000	12,090,672	3,085,518	12	2nd Oct.	q. 3	Huron and Erie	211	209	214	209	210	208	209
000,000	1,937,231	781,348	8	2nd July	s. 4	Landed Banking	147	147	145	144		145	143
250,000	2,879,717	808,018	8	1st Oct.	q. 2	London and Can. Loan	136	131	135	132	128	127½	127½
884,283	1,830,660	369,893	6	1st Oct.	q. 1½	London Loan and Sav							
600,000	356,289	726,506	10	15th Sept.	q. 2½	Montreal L. & Mtg. Co.	176	165	175	160			165
500,000	7,371,097	1,596,314	10	2nd Oct,	q. 2½	National Trust	233	233	210	210		210	207½
750,000	3,988 186	1,903,593	9	1st Oct.	q. 2¼	Ont. Loan and Deb.	173	169	175	169		175	160
500 000	638 931	245,375	7	2nd July	s. 3½	Real Estate Loan							103
500,000	32,322,068	1,548,557	10	1st Oct.	q 2½	Toronto Gen. Trusts	210		210	205½	207		205
724,550	1,910 506	595,010	8	1st Oct.	q. 2	Toronto Mortgage Co.			140	134		136	136
000,000	1,841,631	1,036,147	10	1st Oct.	q. 2½	Toronto Savings							185
000,000	7,487,861	986,531	10	1st Oct.	q. 2½	Union Trust							178
10 000		6 674,019	10	1st Oct.	q 2½	Canada Life Assurance							191

Common Stock Out-standing	Bonds, Preferred Stock or D'b'ntures Out-standing	Reserve and Contingent P. & L.	Dividends 1916	Last Dividend Date	Last Dividend Per cent.	MISCELLANEOUS COMPANIES	Range for year 1915 High	Range for year 1915 Low	Range for Year 1916 High	Range for Year 1916 Low	Latest Price Ask	Latest Price Bid
1,500,000		:,885,740	10	1st Apr.	s. 5	Canadian N. Prairie Lands			—			
800,000	400,000	469,740	8	1st July	q. 2	Canadian Salt	115	110	140	124	133	128
59,109		1,605,792	$5	13th Mar.	5	Can North-West Land						
'00,000		2,473,048	20	30th June	q. 5	Confederation Life A.			350	330	375	
6,212,666		445,933	6	30th Dec. '16	q. 1½	Crows Nest Pass Coal	100	100	83	71		55
1,000,000		292,302	6	15th July	q. 1½	Dominion Telegraph			90	86		
3,000,000	9,669,500					Electrical Dev., pref.						
450,000	b 3,988,449	2,111,299	10	1st July	q. 2½	Imperial Life Assur.						
500,000	b 365,613	643,552	p	1st Mar. '12	s. 2	Intercolonial Coal						
	p 217,900		p	1st Mar. '12	s. 3½	Intercolonial Coal, pref.					80	
3,000,000		509,121	p	1st Mar. '14	1	Intern. Coal and Coke						
2,196,000	2,000,000	471,697	6½	15th Aug.	q. 1¾	Kaministiquia Power						
572,680	b 634,000	168,726	6	2nd July	s. 3	London Street						
2,000,000		119,184	8	15th July	q. 2	Montreal Telegraph	140	136	136	135		135
925,000	b1,123,000					Nia., St. Kath. and Tor.						
1 164,000	b 749,000	268,375	p	10th July '15	q. 1¼	Trinidad Electric	105	100				
2,124,700	b1,540,617	688,268	8	15th June	q. 2	W. Can. Flour Mills	80	80	118½	102		
800,000	b 600,000	578,143	5	1st July	q. 1¼	West India Electric						

NOTE—s—means semi-annually; q—quarterly; I—interim; L—Profit and loss; +—indicates bonus; b—means bond; p—preferred stock; d—debentures; *—less than ten shares; sb—stock bonus; A—$500 per share return of capital paid February 1st, September 25th, 1912: Feb. 1st and Nov. 17th, 1913, and December 1, 1914

DIVIDENDS DECLARED.

BANK OF MONTREAL

NOTICE is hereby given that a DIVIDEND OF TWO-AND-ONE-HALF PER CENT., upon the paid up Capital Stock of this Institution, has been declared for the current quarter, also a BONUS OF ONE PER CENT., both payable on and after Saturday, the FIRST DAY OF DECEMBER next, to Shareholders of record of 31st October, 1917.

FREDERICK WILLIAMS-TAYLOR
General Manager.

Montreal, 19th October, 1917.

The Canadian Bank of Commerce

DIVIDEND No. 123.

NOTICE is hereby given that a quarterly dividend of 2½ per cent. upon the capital stock of this Bank has been declared for the three months ending 30th November next, together with a bonus of one per cent., and that the same will be payable at the Bank and its Branches on and after Saturday, 1st December, 1917. The Transfer Books of the Bank will be closed from the 16th to the 30th of November next, both days inclusive.

By order of the Board,
JOHN AIRD,
General Manager.

Toronto, 19th October, 1917.

The Royal Bank of Canada

DIVIDEND No. 121

NOTICE is hereby given that a DIVIDEND OF THREE PER CENT. (being at the rate of twelve per cent. per annum) upon the paid-up capital stock of this bank has been declared for the current quarter, and will be payable at the bank and its branches on and after SATURDAY the 1ST DAY OF DECEMBER next, to shareholders of record of 15th November.

By order of the Board,
C. E. NEILL,
General Manager.

Montreal, Que., October 16, 1917

The Ogilvie Flour Mills Co., Limited

DIVIDEND NOTICE.

NOTICE is hereby given that a quarterly dividend of one and three-quarters per cent. has been declared on the Preferred Stock of THE OGILVIE FLOUR MILLS CO., LIMITED, payable Saturday, the first day of December, 1917, to Shareholders of record at the close of business Wednesday, the twenty-first day of November, 1917.

By order of the Board,
G. A. MORRIS,
Secretary.

Montreal, November 12th, 1917.

Canadian Pacific Railway Company

DIVIDEND NOTICE

AT a meeting of the Board of Directors held to-day a dividend of two and one-half per cent. on the Common stock for the quarter ended 30th September last, being at the rate of seven per cent. per annum from revenue and three per cent. per annum from Special Income Account, was declared payable on 31st December next, to shareholders of record at 1 p.m. on 1st December next.

By order of the Board.
ERNEST ALEXANDER,
Secretary.

Montreal, 12th November, 1917.

Dominion Steel Corporation, Limited

NOTICE OF COMMON STOCK DIVIDEND NO. 15.

A DIVIDEND of one and one-quarter per cent., being at the rate of five per cent. per annum, on the Common stock of the Dominion Steel Corporation, Limited, has been declared payable 1st January, 1918, to shareholders of record on 5th December, 1917.

By order of the Board of Directors.
C. S. CAMERON,
Secretary.

Montreal, 2nd November, 1917.

The Windsor Hotel Company of Montreal

DIVIDEND NOTICE

NOTICE is hereby given that a Dividend of 2% on the Paid-up Capital Stock of the Company has been declared, payable on December 1st, 1917, for Shareholders of record on the books of the Company on November 21st, 1917.

JOHN DAVIDSON,
Secretary-Treasurer.

Montreal, November 12th, 1917.

THE GOOD AND THE EVILS OF SHORT SELLING

Abuse Has Brought a Useful Device Into Disrepute.

EXPERIENCE OF OTHERS

Germany's Effort to Discontinue the Practice Followed by a Failure Which New York Would Avoid.

From the *Annalist*, New York.

When the Stock Exchange took measures to limit short selling as a war measure it knocked a chip from one of its most sacred idols. In normal times the Governors of the Exchange would as quickly have decided to close the board entirely as to do anything which detracted from the free operations of short sellers. As a matter of fact, the decision to supervise short sales through the medium of daily reports from the Exchange members on amounts of stocks borrowed and the names of the borrowers, may not have any deterring influence at all upon the ordinary output of short sales after a few days. The Governors have emphasized the purpose of their scrutiny of business to be purely the elimination of vicious efforts by unscrupulous traders to force prices down.

The Stock Exchange has always been emphatic in support of short selling, and the appraisal of its value which brokers supply when asked has official support. The findings of the Hughes Commission, headed by the late Horace White, which examined the structure of the financial and commodities markets, favored short sales as of real value as a price stabilizer. The commission said:

"We have been strongly urged to advise the prohibition or limitation of short sales, not only on the theory that it is wrong to agree to sell that which one does not possess, but that such sales reduce the market price of the securities involved. We do not think it is wrong to sell something that one does not now possess, but expects to obtain later. Contracts and agreements to sell and deliver in the future property which one does not possess at the time of contract are common in all kinds of business. The man who has sold short must some day buy in order to return the stock which he has borrowed to make the short sale. Short selling endeavors to select times when prices seem high in order to sell, and times when prices seem low in order to buy, their action in both cases serving to lessen advances and diminish declines of price. In other words, short selling tends to produce steadiness in prices, which is an advantage to the community. No other means of restraining unwarranted marking up and down of prices has been suggested."

The report of the Hughes Commission is the Stock Exchange's gospel in respect to especial functions of short selling in the financial machinery of the country. Able bankers and economists have frequently wondered whether the value of short selling in stocks was not overrated; there are bankers of the Wall Street district today who are not fully convinced that the market could not get along in stable fashion without short sales. The chief reason for their doubt is that it has never been tried. It is believed possible in quarters where market phenomena are closely studied that, before the war ends, there may be considerable fresh data on the effect of short selling, growing out of the scrutiny which the exchange is now directing toward transactions for the short account.

The Theory of Short Selling

Authorities on the security markets estimate that out of ten speculators who are constantly buying or selling stocks only one ever sells short. In normal stages of market progress up or down only 10 per cent. of all the business done represents the sale of stocks not owned by the seller who intends to buy them back when they are lower. Even during periods of tremendous declines, it is estimated by the same authorities that no more than 25 per cent. of the sales are short sales. With 90 per cent. in normal times and 75 per cent. in abnormal times representing business done in securities actually owned by the seller, the question naturally arises, "How does so modest a portion of a day's turnover work to stabilize the aggregate of transactions?"

The question may be answered by recourse to the theory which supports short selling, in the absence of concrete proof. Imagine a prolonged bull market like that of 1906, when prosperity was rampant and the seekers of quick profits in the stock market were flocking in. The great majority of traders would be buyers, and it would not be difficult to conceive of a situation in which wild bidding for stocks would carry prices up and up until levels were reached from which a destructive and precipitate fall might occur, of a nature to shake the foundations of finance.

Need for Short Sellers

If there were no short sellers the supply of stocks to meet the demand of the bidders would come from investment and speculative holdings, real stock—so-called "long" stock—which would appear on the market only as the owners were convinced they could profitably sell and buy back at lower levels some day in the future. With a constantly rising market the owners of long stock would naturally sell reluctantly, thus tending to entice bidders to reach higher and higher to fill their demands. Now, the human equation enters the situation to a marked degree. While the majority of traders would be convinced that stocks were headed upward, there would certainly be a group who decided every little while that prices had gone high enough. Some of the members of the group would be owners of stock bought lower down and they would take a part of their profits by selling some of their stock, but there would be others who had no long stock to sell. With short selling possible, the persons without real stock to dispose of would have the means for testing their conviction. They could sell, borrowing from owners the stock with which to make delivery, and later they could buy stock to replace what they had borrowed. Thus the short sellers would be offering supplies to urgent bidders all the way along, and their sales would play the part which a governor on a fly wheel plays—checking automatically the speed of the wheel when it ran too fast for safety.

This is what the Hughes Commission meant when it reported that "short selling tends to produce steadiness in prices." Reversing the picture, one may imagine the stock market in the midst of a severe slump as in 1907, the product of adverse economic conditions. Disturbed owners of securities would be active sellers, and if they came into a market where nobody wanted stocks a tremendous collapse might result. But here enters the short seller again, this time in process of covering sales of stocks he did not own at higher levels. Believing that the decline might halt at any moment, the holders of short contracts would seek to conserve their profits by buying back the stock they had sold, and the process, day by day, would act as a partial support under falling prices, easing the precipitancy of the decline.

This is the quality of short selling which the Stock Exchange holds is of inestimable value. In acting last week to control operations on the short side, the Governors of the Board were extremely careful to let the public know that they did not intend to disturb what they called "legitimate" short sales. They did not desire to destroy that safety valve which they believe has frequently in the past prevented actual disaster to the security markets and appalling losses to investors. They aimed to destroy short sales, which they described as "illegitimate."

Considered superficially, it might seem a difficult matter to discriminate between two kinds of short sales. All such transactions have one purpose—to enable the seller to buy at lower prices what he sells in advance at higher prices. The famous peace leak inquiry last January, it will be recalled, developed the fact that Bernard M. Baruch had sold short 30,000 or more shares of United States Steel common. This was a sizable block to be put out in a single issue. But it was developed also that Mr. Baruch did not sell with the deliberate purpose of forcing Steel down sharply as the result of his sales, but because he was convinced that conditions within and without the market must bring about a reaction which would inevitably make the price of Steel common lower.

Mr. Baruch's foresight and the resultant sales of stock which he did not own were not censured by the Governors of the Exchange; rather, his market ability was admired. His transactions also would come within the category of "legitimate" sales just now, as there was no intent to force an artificial decline simply through the outpouring of more stock than the buying demand could absorb without severe shock. From what the Governors have said in explanation of their decision to supervise short sales, intent is the prime factor to be watched. Bear "drives" at particular stocks during the remainder of the war period are to be choked off and adequate punishment administered to Exchange members who permit such operations to go through their hands.

The market has been declining rapidly since Aug. 1, bonds as well as stocks constantly seeking lower ground as liquidation has progressed. A product of the persistent recession has been raw nerves among holders of stocks bought at high prices, and a general nervousness everywhere within the purlieus of the market-place. When security owners are in a "jumpy" condition, it is naturally much easier for stocks to drop rapidly when periods occur in which supplies exceed the demand. It is an easy matter for a speculator of large calibre to unsettle the whole market by rapid sales in heavy volume of one, two, or three issues, and the Governors have become persuaded that much of this sort of work has been going on.

This sort of short selling is labeled "illegitimate," especially when accompanied by disturbing rumors such as have been heard for some weeks. rumors of economic disturbances to come from the war, of military reverses for the Allies worse than the actual reverses, of pending dividend elimination by major companies, etc. The Exchange has implied a belief that many of these rumors have had pro-German origin, and one of the measures to be taken by the Committee on Business Conduct is to discover whether or not they have had immediate connection with sudden, unsettling bear attacks upon stocks.

In addition to the operations of individual short sellers of large calibre, the rule regulating short selling is to be applied to organized efforts to depress stocks through the dissemination of "tips" spread broadcast. Here, too, the Exchange has to differentiate between legitimate and illegitimate selling, as a broker's advice to customers to sell certain stocks because they ought to go lower might be construed quite differently than similar advice to clients to go short of the same stock as quickly as possible in order to get them down.

The decision to limit short selling is distinctly a war measure, as was the closing of the Stock Exchange in July, 1914, to prevent all the world from selling securities in New York. The Governors hesitated a long time before taking the step, fearing that the natural operation of the stock market might become constricted and disturb Government financial operations. In Germany several years ago the Stock Exchange did away with short selling with unexpected results. With the stabilizing influence of short selling and short covering gone, it was found quickly that sudden declines, abrupt breaks, occurred with attendant losses of heavy calibre for owners of securities, and short selling was reinstated within a few months.

Inasmuch as only one trader out of ten ever sells short, it is not surprising that dealings on the short side, and the method followed, are considerable of a mystery to the general public. Operations in futures on the cotton and grain markets are far better known, for the reason that merchants and manufacturers for years have bought and sold contracts for delivery some time ahead in the ordinary course of their business. A leading difference between the transactions in stocks and bonds lies in the fact that the short seller, expecting to buy back his stocks cheaper in the future, borrows stock and makes deliveries to the purchaser the day after he sells.

REGULATION OF PACKERS' PROFITS WILL STRANGLE HOG RAISING INDUSTRY

Continued from page 1

a cent a pound. Evidently the consumer will hardly profit by the change despite his high enthusiasm of the moment.

Discouraging Hog Industry.

What will be the effect on Canada's growing hog industry?

It is only logical that the packers' activities will be largely curtailed when the 15 per cent. limit has been reached. The packing industry has a great element of speculation and the packers will not make further investments when profits do not warrant them so doing. They are more likely to withdraw funds now so employed to invest in other propositions where there is no government discouragement.

If the Canadian packing industry does not expand to correspond with hog raising the farmer will have to find a market across the line.

During three-quarters of the year Canadian packers have been accustomed to pay a premium of approximately 50 cents a hundredweight for Canadian hogs. The American market has not, however, been cultivated to an appreciation of the better qualities of the Canadian product. Canadian hogs will not bring a better price than the corn-fed American hog.

This means not only a loss to Canada in business and money diverted from Canadian plants, but a net loss to the Canadian producer.

The government in its action is placing the packing industry in a position where the tendency will be to decrease output. Bacon is to-day 25 cents a pound above the normal price. That normal price must be reached again sooner or later. Large profits have been made by the packers because of the ever increasing market price. It is stated that had it been possible for the packers to turn their product over the day after it was purchased it would in practically every case have shown a loss. As it was the 30 to 90 days required for curing were the protection that brought the profits. The month before the war bacon was selling in London at 66s., to-day it is selling from 172s. to 175s. The packers feel that they are pretty well at the peak, and that there is before them the descent from these dizzy heights.

If the government meet them at the top, with a "stand and deliver" order, how are they to meet the conditions that are bound to come, when the goods purchased on a 172s. market, have to be processed and come on the market for sale at, say, a 160s. market, and the 160s. goods in turn have to be sold on a 150s. market. As surely as these firms have made money on a rising market, just so surely will they have to lose it when the change comes, if they stay in business. That is the position on which the packers not unnaturally base their claims that the present basis is unfair. If the government is prepared to refuse them a profit for their activities, it should also assure them that these activities continued at no profit should not be a serious source of danger.

How seriously this regulation of the industry may be is evidenced by the conditions recently prevailing, when owing to the inability to finance large purchases of bacon in Canada, that trade went to the United States. Purchases were made on a certain basis F.O.B. New York, Canadian packers were compelled to consign their goods on the English market, and in every case their returns were one, two and three cents below the standard set by the New York price. That handicap has fortunately since been met, but any variation between the price regulations on the Canadian and American side of the border would unquestionably result in a dangerous handicap to Canadian business. The American packer has been offered 2 per cent. on his turnover, and has refused it, and proposed in its place three per cent. Just what the result will be is not known, but either would be an improvement on the present Canadian regulation, and in that much the Canadian trade is handicapped.

REVIEW OF MARKET FOR MINING SHARES

Name.	Capital Authorized	Capital Issued	Week ending Nov. 15. High	Low	Sales	Close Nov. 15. Asked	Bid
COBALT STOCKS—							
Adanac	$ 2,500,000	$2,250,000	.12	.11	6,200	.12	.11
Bailey	5,000,000	4,250,000	.05	.05	1,000	.05	...
Beaver Cons.	2,000,000	2,000,000	.30¾	.29½	16,775	.30	.29¼
Buffalo Mines ..	1,000,000	1,000,000	...	...	....	...	...
Cham.-Ferland ..	2,500,000	2,312,850	.11	.10	10,800	.11	.09½
Coniagas	4,000,000	4,000,000	3.00	2.95	75	3.00	2.90
Crown Reserve ...	2,000,000	1,999,957	.24	.23	2,150	.24	.20
Foster	1,000,000	915,588	...	...	....	...	.01¾
Gifford	250,000	....	.04	.03⅛	18,000	.03½	.03
Great Northern ..	1,500,000	1,500,000	.05	.04½	5,000	.05	.04¾
Hargraves	2,500,000	2,500,000	.08¾	.08¼	25,725	.08⅝	.08½
Hudson Bay	25,000	7,761	...	...	....	40.00	...
Kerr Lake	3,000,000	3,000,000	4.90	...	100	5.00	4.70
La Rose	7,500,000	7,493,135	.40	.33	2,965	.34	.32
McKin.-Dar.-Sav. .	2,000,000	2,247,692	.60	.59	5,000	.60	.59½
Nipissing	6,000,000	6,000,000	7.90	7.75	115	8.00	7.75
Ophir	685,000	....	.10½	.09	25,000	.11	.10
Peterson Lake ...	3,000,000	2,401,820	.09¼	.09	10,400	.08¾	.08¼
Right of Way .. .	2,000,000	1,685,500	.04¾	...	100	.05	.04⅞
Seneca-Superior .	500,000	478,884	.02½	...	1,000	.02½	.02
Temiskaming	2,500,000	2,500,000	.26½	.25	18,200	.25½	.25¼
Trethewey	2,000,000	1,000,000	.14	...	200	.14	.13
Wettlaufer	1,500,000	1,416,590	.05½	...	500	.07	.05½
PORCUPINE STOCKS—							
Apex	2,000,000	1,300,000	.05½	.05	14,500	.05½	.05⅛
Dome Cong.	2,500,000	1,250,000	...	...	....	...	...
Dome Extension. .	3,000,000	2,200,000	.10	.09½	41,000	.09½	.09⅜
Dome Lake	2,000,000	1,227,017	.15½	.14	4,000	.15	.14
Dome Mines	5,000,000	4,000,000	7.50	6.90	2,103	7.10	6.90
Foley-O'Brien .. .	3,000,000	2,500,000	...	...	....	...	...
Hollinger	3,000,000	3,000,000	4.70	4.50	2,085	4.60	4.55
Jupiter	2,000,000	1,867,786	...	...	....	...	...
McIntyre	3,000,000	2,999,995	1.34	1.30	12,973	1.33	1.31
McIntyre Extension	2,500,000	2,000,000	...	...	....	...	...
Porcupine Crown..	2,000,000	2,000,000	.25	.22	8,575	.23	.22
Porcupine Imperial	2,000,000	1,409,200	.02	.01⅞	4,500	.02	.01¾
Vipond	1,500,000	900,000	.20	.18½	4,500	.20	.18
Preston E. Dome.	3,000,000	2,000,000	.03¼	...	19,500	.04	.03
Schumacher	2,000,000	....	...	...	....	.45	.35
Teck-Hughes .. .	2,000,000	2,000,000	.37	.33	1,000	.36	...
West Dome Con...	3,000,000	2,000,100	.14½	.13	32,200	.13¼	.12¾

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Established 1837. Incorporated 1880.
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AUTHORIZED and ISSUED £6,000,000
Paid-up Capital..£2,000,000
Reserve Fund....£1,980,000 Together £3,980,000
Reserve Liability of Proprietors.......£4,000,000
Total Capital and Reserve £7,980,000
Head Office: 71, CORNHILL, LONDON, E.C.
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HENRY P. STURGIS, Esq. (Chairman).
The Rt. Hon. the Earl of Chichester.
John Dennistoun, Esq.
Hugh D. Flower, Esq.
Charles A. Galton, Esq.
S. R. Livingston-Learmonth, Esq.
William R. Mewburn, Esq.
The Hon. A. R. Mills, M.P.
Robert C. Nesbitt, Esq.
Frederick G. Parbury, Esq.
Sir Westby B. Perceval, K.C.M.G.
Manager—ARTHUR C. WILLIS.
Assistant Manager—WILLIAM J. ESSAME.
The Bank has 41 Branches in VICTORIA, [illegible] in NEW SOUTH WALES, 19 in QUEENSLAND, 14 in SOUTH AUSTRALIA, 22 in WESTERN AUSTRALIA, 3 in TASMANIA, and 44 in NEW ZEALAND. Drafts upon these Branches are issued by the Head Office, and may be obtained from the Bank's Agents throughout the world. Commercial and Circular Travelling Credits issued — available throughout the world. Cable Transfers are also made. Bills on the Australian States and Dominion of New Zealand are purchased or sent for collection.

Northern Crown Bank
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Capital (paid up) - - $1,431,200
Rest and Undivided Profits $848,554
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President, Capt. Wm. Robinson.
Vice-President, Jas. H. Ashdown.
W. R. Bawlf, A. McTavish Campbell, Sir Douglas Cameron, K.C.M.G. E. F. Hutchings, John Stovel.
General Manager - Robert Campbell
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MONEY, BANKING AND EXCHANGE

LITTLE CHANGE IN CLEARINGS OVER LAST YEAR

Total for All Canada Only Higher by Eight Per Cent.

INCREASE WAS IN WEST

Eastern Cities Showed a Falling Off of 12.1 Per Cent.—Showing Was Poor Compared With That of Last Week.

For the week ending Thursday last, official returns of bank clearings made to THE FINANCIAL POST indicate a gain for the Dominion of $2,102,368 over the figures for the corresponding period in 1916. In the West the clearings amounted to $115,088,779, an increase of $23,654,872, or 25.8 per cent., while in the East the amount was $155,758,434, which shows a falling off of $21,552,504, or 12.1 per cent. The cities in the West to show the highest percentage gains were: Vancouver, 44.3; Fort William, 44.2; Edmonton, 43.9; Calgary, 39.1; New Westminster, 35.1; and Brandon, 33.3, Medicine Hat being the only city to show a decline. In the East, Halifax showed the largest percentage gain. Montreal showed a decline of 15.7 per cent., Toronto 15.0, and Quebec 1.2. For the year to date the gain is $2,123,241,284, or 23.9 per cent. Following are comparative figures:

WEEKLY BANK CLEARINGS.

(In comparison with same week last year.)

Eastern Cities.

	Nov. 15, 1917.	Change.	%
Montreal	$ 75,740,530—	$ 14,161,571	15.7
Toronto	54,446,102—	9,638,943	15.0
Ottawa	5,411,021+	35,476	.6
Hamilton	5,055,604+	545,143	12.1
Quebec	4,692,144—	59,183	1.2
Halifax	3,137,708+	774,740	33.6
London	2,344,526+	341,204	17.0
St. John	2,139,865+	310,129	17.0
Brantford	842,568+	9,356	1.1
Peterboro	673,442+	140,310	26.4
Sherbrooke	686,274+	91,587	15.5
Kitchener	588,650+	59,248	11.3
Total, East	$155,758,434—	$ 21,552,504	12.1

Western Cities.

	Nov. 15, 1917.	Change.	%
Winnipeg	$ 76,762,587+	$ 14,307,249	22.9
Vancouver	9,842,944+	3,020,962	44.3
Calgary	9,954,642+	2,796,809	39.1
Edmonton	3,785,903+	1,153,988	43.9
Victoria	1,758,878+	369,718	26.7
Regina	4,797,486+	796,343	19.9
Saskatoon	2,482,453+	275,585	12.5
Moose Jaw	1,753,046+	249,140	16.6
Ft. William	820,296+	251,324	44.2
Brandon	952,702+	236,464	33.3
Lethbridge	1,146,692+	165,642	16.9
N. Westm'ster	370,833+	96,382	35.1
Medicine Hat	660,317—	64,734	8.9
Total, West	$115,088,779+	$ 23,654,872	25.8
Grand total	$270,847,213+	$ 2,102,368	.8
Yr. to date	$10,993,605,389+	$2,123,241,284	23.9

U.S. BANK CLEARRINGS.

Bank clearings in the United States for the week ending November 8 aggregate $6,185,431,000 against $6,040,050,000 last week and $5,307,707,000 in this week last year, an increase of 16.5 per cent. Following are the returns for this week and last, with percentages of change shown this week as compared with this week last year:—

(000's omitted)

	Nov. 8	I. or D.	Nov. 1
New York	$3,487,497	I 9.7	$3,393,226
Chicago	496,907	I 19.1	494,222
Philadelphia	322,200	I 12.3	348,399
Boston	265,420	I 40.0	286,873
St. Louis	158,629	I 34.0	153,617
Kansas City	192,276	I 58.7	188,862
S. Francisco	95,337	I 29.2	107,355
Pittsburgh	73,832	I 26.8	79,787
Cleveland	70,748	I 8.3	76,536
Detroit	48,052	I 8.7	48,326
Baltimore	43,947	.....	43,947
Cincinnati	38,175	D 1.4	34.888
Minneapolis	46,450	I 24.0	42,473
New Orleans	51,239	I 29.2	42,796
Los Angeles	29,384	I 21.4	28,597
Omaha	54,694	I 87.1	43,836
Milwaukee	29,514	I 24.3	26,214
Atlanta	54,964	I 72.0	50,697
Louisville	19,262	I 10.3	18,497
Richmond	45,001	I107.6	38,254
Buffalo	19,513	I 28.4	21,146
Seattle	26,783	I 54.0	25,152
St. Paul	18,799	I 3.3	16,351

MONEY.

Money has been somewhat easier in London this week, call money dropping from 4 per cent. to 3¾ per cent. on Thursday. In New York call money has ruled steadily throughout the week at 4 per cent. Time money has been slightly easier—60 days ruling at 5 to 5¼ per cent.; 90 days, 5¼ to 5½ per cent., and six months, 5½ to 5¾ per cent. In Canada there has been no change in the money situation. The banks are not participating in the present war loan, but are arranging to finance individual subscribers for twelve months to a much greater extent than in the case of any previous loan.

The initial payment on subscription to the second Liberty Loan, amounting to $540,000,000, was successfully met during the week without causing any marked disturbance in the market.

Money rates are not high, says the New York *Journal of Commerce*, in commenting on the money situation. But funds themselves are scarce. It is a tribute to the effectiveness and the far-sightedness of our banking authorities that bidding for funds has not caused sharp advances in interest rates. With the Government's bond and note issues taking so large a part of the floating supplies of funds, some new method must be provided for supplying funds to mercantile and manufacturing circles. This is a subject that has recently been receiving the careful attention of bankers. Conferences have been held with the Federal Reserve Board with a view of providing a remedy. Such a remedy must necessarily contemplate the greater use of the rediscount facilities of the Federal Reserve banks. Official denial was made last week that any change in the rediscounting privileges were to be extended to notes having specific obligations of renewal. But bankers who usually are well informed on affairs in Washington are confident that the Federal banks will be able in the near future to offer increased facilities for discounting paper that is not specifically renewable. This paper still will be limited to the ninety-day maturity, and our banks will not unnaturally favor such loans, as they can in turn be utilized at the Reserve banks.

In this way a secondary supply of banking accommodation will be provided. The new facilities will especially be of value to manufacturers who have entered into large contracts with the Government, the plan contemplating, it is understood, advance payments by the Government to enable the manufacturers to buy their raw materials and make considerable progress in the manufacture of their products contracted for. Some manufacturers are suggesting that after proper guarantees have been furnished for the faithful performance of contracts that the Government provide in some way advance payments up to 25 per cent. of the contract price, these advance payments to be credited gradually as the contract nears completion. In this way, since war business is constituting such an important share of the country's industrial activities, advances by the Government would provide a source of monetary accommodation quite independent of the general banking situation, and would be of distinct value in preventing higher rates for funds to result from urgent competition.

EXCHANGE.

The course of New York funds during the week has been first down and then up again, though the movement was accomplished between narrow limits. The low point touched was par to the buyer, while yesterday sellers were offered 1/32 premium. Very little has been done in the way of buying and selling of funds, as operators are busy with war loan. This condition is reflected in the bank clearings, both in Toronto and Montreal, which are considerably lower this week.

Demand sterling, which softened to 4.75⅛, recovered slightly to 4.7515, with cables unchanged at 4.76 7/16.

Francs were a little firmer than last week, advancing in the case of demand from 5.76⅝ to 5.75¾ and for cables from 5.74⅞ to 5.74¾.

Roubles have improved their position, following the more reassuring news from Russia regarding the latest revolution. From 11.75 demand advanced to 13.00 and cables from 12.00 to 13.25.

COMMERCE.

F. L. Crawford, of the Vancouver branch of the Canadian Bank of Commerce, has been transferred to the Hastings and Cambridge branch of the bank.

HAMILTON.

H. T. Lamont, manager of the Fort William branch of Bank of Hamilton, has been transferred to the branch at Hamilton. He will be succeeded at Fort William by A. G. Bastedo from Tabor, Alta.

BANK OF ENGLAND.

It is announced that Lord Cunliffe, Governor of the Bank of England, will retire next March, and be succeeded by Sir Brien Cokayne, the present Deputy Governor. Lord Cunliffe's term has been extended three years beyond the normal time, owing to war conditions.

The weekly statement of the Bank of England shows the following changes: —Total reserve, decreased, £554,000; circulation, decreased, £31,000; bullion, decreased, £585,711; other securities, decreased, £1,052,000; public deposits, decreased, £1,274; other deposits decreased, £526,000; notes reserve, decreased, £430,000; government securities, decreased, £162,000. The proportion of the bank's reserve to liability this week is 19.48 per cent.; last week it was 19.60 per cent. Bank rate, 5 per cent.

MERCHANTS.

W. J. Finucan, superintendent of Ontario branches of the Merchants' Bank of Canada, has been appointed assistant Western superintendent of the bank, and manager of the Winnipeg branch. He will assume his new duties immediately.

A. C. Paterson, who has been manager of the Winnipeg branch for the last two years is severing his connection with the institution to take the position of vice-president and managing director of the Canadian Drugs, Ltd., now being formed.

STANDARD.

M. C. Zimmerman, who recently left St. Thomas for Toronto to take a position on the inspection staff of the Standard Bank of Canada, has been appointed manager of the branch at Pickering, Ont., and is now in charge there.

Mr. Zimmerman was formerly manager of the Rodney branch of the Royal Bank of Canada.

DOMINION POWER.

The situation in Hamilton as between the Dominion Power and Transmission Company and the Hydro Electric interests proves of considerable interest for the shareholders of the former concern. Sir Adam Beck is obviously endeavoring to create the impression that business at the present time is on a competitive basis but the actual facts would appear to be that the Dominion Company is handling all the business that it can while the Hydro people have demands for even more power than they can supply. Under the circumstances it would seem possible that public opinion is being cultivated for later developments.

B. N. A.

Lieut. C. F. Keegan, of St. John's branch of the British North America Bank, in the Indian Cavalry, is reported wounded for the second time. Lieut. E. N. Baillon, of the 150-Mile House branch of the same bank, in the Royal Flying Corps, is reported a prisoner of war.

Miss Learmonth, ledger keeper at the bank of B.N.A. at Ashcroft, B.C., has severed her connection with that bank. She is succeeded by Miss Vincent, of Victoria.

MONTREAL.

Lieut. Geo. D. Barker, Durham Light Infantry, formerly of the Vancouver branch of the Bank of Montreal, is in hospital at Leicester, badly injured.

BANKERS' ASSOCIATION ASKS FOR EXEMPTIONS

Requests Being Made on Basis of Allowing Banks to Do Full Duty —Some are Disallowed.

The proceedings before the exemption boards are being followed with close interest by branch bank managers and by head office officials. On the basis that there are 500,000 men in Canada eligible for military service in the first class under the Conscription Act, of which 100,000 are to be called in the first draft, the banks are applying, through head offices, for exemptions on the ratio of three out of four, thus making allowance for a reasonable margin above the proportion required. Such exemptions will have the endorsation of the Canadian Bankers' Association but the Association was unable to have them passed by a central tribunal. Thus each will have to be decided individually before the board in the district in which the applicant is located, the tribunal officials being officially advised by the association of the recommendation.

So far, only a comparatively small number of cases have been heard, but from these it is evident that in every case the recommendation of the Bankers' Association is not being followed. However, bank officials interviewed by THE FINANCIAL POST are of the opinion that in many cases the local tribunals do not care to take full responsibility, and where exemption is refused there is a willingness the matter be appealed to a higher court.

In making the requests for exemptions on the basis referred to, bank officers feel that they are asking no more concessions than are absolutely necessary for the maintenance of the banking machinery of the country on a basis to warrant national business efficiency. It is pointed out that in endorsing applications on the basis of three out of four, while the general proportion for all of Canada will evidently be four out of five, the banks are really doing much more than is indicated, seeing that the drain upon them already been very heavy and much larger in proportion than in most other walks in life. In fact it is figured that if a process of evening up with other vocations was followed, it would be found that the recruiting from banking circles has already been such that the full proportionate quota has been more than contributed.

INDUSTRIAL DEVELOPMENT.

Canadian Northern Preparing for Changes After the War.

An appointment of particular interest to manufacturers and others interested in the development of the country's industries and resources is that of C. Price-Green to be Industrial Commissioner of the Canadian Northern Railway system with headquarters at Toronto.

The appointment is made in anticipation of the industrial reorganization and development which will follow the conclusion of peace in view of the great number of industrial opportunities on the lines of the Canadian Northern system. The aim of the department is to locate industries and to develop the natural resources along the company's lines.

THE ROYAL BANK OF CANADA
INCORPORATED 1869

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Reserve and Undivided Profits, 14,324,000
Total Assets - - - - 300,000,000

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NEWS AND VIEWS FOR MANAGERS

MANUFACTURERS AND WAR TIME LINES OF CREDIT

Absolute Confidence Will Smooth Out Many of the Difficulties.

DEMANDS CAN'T BE MET

A Manager Who Was Formerly a Manufacturer Tells of How He Has Successfully Handled His Industrial Accounts.

Every branch bank manager carrying industrial accounts has since the outbreak of the war had to face a problem—more or less difficult in varying cases—in dealing with his credits to manufacturing concerns. With uncertainties on every hand as regards supplies of raw materials, the natural tendency of the far-sighted manufacturers has been to increase his reserve supplies, so as to insure himself against a shortage which might interfere with his operations. Then there has been the rising costs in every direction, requiring in many instances double the investment. Further with war demand there has been a greatly increased output in many lines. Thus there have been three factors—uncertain supply, increased prices and greater output—bearing upon the financial requirements of the manufacturer. The problem of providing finances has been largely up to the banker—and it has been "some" problem, especially when there has been a natural inclination to do everything possible to meet the reasonable demands of the manufacturer and existing conditions have not permitted.

The war-time relations of the bank and the manufacturer have, therefore, been, and still are, a live question in both industrial and financial circles. Appreciating this I took advantage of an opportunity afforded this week to discuss the matter with a banker who, before he took up his present duties, was the executive head of a large manufacturing concern. Here was a man, who had for years been an outstanding figure in the community as a "captain of industry," now seated at the flat-topped desk behind the ground glass door of the bank manager; a man who had long negotiated credits for his own plant now handling the other side of the argument in the interests of the bank. Naturally he was able to speak with a sympathetic understanding of the whole situation and it need scarcely be said that during the period of the present abnormal conditions he has been very successful in the handling of industrial accounts.

"The success of the bank manager in his relations with the manufacturer depends upon an absolutely free exchange of confidences between himself and the customer over his own desk," said this banker when I asked him about his experiences. "I have never found that there was much difficulty in arranging matters when a manufacturer tells me his needs and his troubles and when I tell him on the other hand what the bank is prepared to do and show him in a business-like way that he should hardly expect more."

Meeting War-time Demands.

"How about the war-time demands for credit," you ask. "Well, I have had little trouble in satisfying my customers—and satisfying them without giving them all that they wanted in many cases. If Jones came in and asked for a line which was more than we were in a position to grant, I explained to him that funds were not available and I told him that the answer was not for himself alone. I asked him to figure out how much capital it would take to supply the demands of all the business concerns between Vancouver and Halifax if their credits were extended in the same proportion as he asked; the banks could not meet it. He saw and appreciated the point.

"They are all like Jones when you establish a basis of absolute confidence. As business men they appreciate a business proposition and if you show them that you have a knowledge of their wants and needs and that it is not business for the bank to give them all they want then they are usually satisfied."

In discussing the situation further with this manager I found that although it is now some years since he himself was a manufacturer that he is still one in theory—that he is ready to place himself in the position of the bank's industrial customer, to analyze his requests and requirements from a technical standpoint. Further, he keeps sufficiently in touch with the affairs of his different manufacturing clients to be able to step into the office, the stock room or the plant of the concern and make his own deductions as to the manner in which business is being conducted as to turnover, overhead expense, raw materials carried, etc., in relation to the line of credit being granted.

Confidence the Key.

"The success of the Canadian banking system is in the maintenance of an even balance on either side of this desk," said this manager in referring to a more general application of the theories which he applies in the handling of his industrial credits. "I mean that the banker and the customer must meet on a common ground where there are no secrets between them, where nothing is held back and where, as a result, there is a bond of understanding strengthened by absolute confidence. It is the development of such relations which, in my opinion, has been responsible for a banking system in this country which is as efficient, safe and practical as any in the world."

Of course all branch managers cannot gain the practical experience from the manufacturing standpoint which this banker has had but there is nothing to prevent them keeping in touch with such features of the industrial situation as will help them to meet their customers on common ground. The average manager can, through current publications which specialize in their fields, learn of current and foreign market conditions, the prices of raw materials and outlook for supply, the general situation as regards business and the buying power of the people and other features which relate to the affairs of the customer and which have a direct bearing upon his prospects for trade and therefore upon his financial requirements and credit standing.

J. W. T.

SAVINGS REFLECTED COMING WAR LOAN

A Branch Manager Who Presents New Argument As To Why Depositors Will Buy Bonds.

Branch bank managers have been having a busy time since launching of the war loan campaign at the beginning of the week. Not only have they been playing a part in the campaign itself—behind the scenes usually—but they have been called upon by many of their customers for advice and technical explanations. Particularly in the smaller centres where there are many farmers' accounts, the managers have been made the fountain head for information, for the average farmer, whose interest in the investment field is usually confined to farm mortgages—either as a mortgagor or a mortgagee—has only a superficial understanding of securities and even government bonds represent to him some of the mysteries of big finance.

The advice of the branch manager is no doubt proving an important factor in making the Victory Loan popular with the mass of the people. And every indication is to the contrary of the charge against the banker, which has been previously refuted in these columns, that he would discourage investment in the loan for the benefit of his savings accounts.

Loan Helped Savings.

"Contrary to believing that the Victory Loan may be a factor in seriously reducing my savings accounts, I believe that it has been the big factor in bringing them to the high total which they now represent," said a branch manager to a representative of THE FINANCIAL POST this week. "People have been saving for the loan for several months if my analysis of the situation amounts to anything."

"My experience has been that I have usually been able to increase my showing in deposits in the first half of the year but that in July there has been a tendency for them to fall off. This year, instead of the decline after midsummer, I found that the increase continued, and I attribute this to anticipation of the government loan."

With regard to savings accounts in general, this manager was of the opinion that only a certain amount could be looked for from the average individual—an amount which would naturally vary with different people—before there was a withdrawal for investment of some other kind. For this reason he stated that he never discouraged investments but gave his advice willingly, believing that the account had probably reached its high point for the time being, that the depositor would make some use of a portion of the fund in any event and that the process of building up the amount again would immediately recommence if a withdrawal was made. Any policy of discouragement he considered near-sighted and likely to have unfavorable consequences in the future relations of the customer with the bank.

AIDING LOAN INVESTORS.

Banks Will Advance Up To 90 Per Cent. at 5½%

As has previously been intimated by THE FINANCIAL POST the chartered banks of Canada have united in a plan to assist small investors in their subscriptions to Canada's Victory Loan. Action was taken through the Canadian Bankers' Association, after conference between the heads of the various financial institutions. E. L. Pease of Montreal, president of the association, has written to Sir Thomas White, Minister of Finance, the following letter:

> In order to encourage small investors to participate in Canada's forthcoming Victory Loan, I am authorized to state that the chartered banks will lend in moderate amounts upon the pledge of the securities themselves to subscribers to the loan who have a reasonable certainty of repaying the advance in one year. The banks will advance up to 90 per cent. of the amount subscribed, and the rate of interest will be 5½ per cent. per annum with monthly or quarterly reduction payments as may be arranged.
>
> "The banks will also accept from subscribers, for safekeeping, without charge, the interim securities and later the bonds themselves to a reasonable amount, for the term of one year."

ROYAL TRUST CO.

Annual Meeting of Shareholders—Directorate Re-elected.

At the annual meeting of shareholders of the Royal Trust Company this week, nothing but routine business was touched upon. The old board was re-elected, and consists of the following:—Sir Vincent Meredith, Bart., president; Sir H. Montagu Allan, C.V.O., R. B. Angus, A. D. Braithwaite, H. R. Drummond, Sir Charles Gordon, Hon. Sir Lomer Gouin, C. R. Hosmer, E. J. Chamberlin, Major Herbert Molson, Lord Shaughnessy, K.C.V.O., Sir Frederick Williams-Taylor, LL.D., E. W. Beatty, K.C., Lieut.-Col. Bartlett McLennan, William McMaster. A. E. Holt remains manager.

PROSPERITY AHEAD.

Optimistic Views of the Manager of the B. N. A.

H. B. Mackenzie, general manager of the Bank of British North America, when on the coast recently, stated that he was a firm believer that after the war there would be a period of real solid prosperity from coast to coast and that on account of the big prices which were being paid the farmers on the prairie, the inhabitants of those provinces would be given great purchasing power.

Toronto will probably have an overdraft of $100,000 before the end of the year.

Who Should Buy Canada's Victory Bonds, and Why

WHO wants to help win the war?

Who wants to give our soldiers all the support which their bravery and self-sacrifice and imperative needs demand of our gratitude and our patriotism?

Who wants Canada to do her full part in producing food, metals, ships, munitions and clothing for our fighting men; her full part in winning the war?

Who wants to help Britain to buy in Canada all she wants to buy of the products of Canada's fields and industries and labor?

From the mighty heart of Canada hear the full-throated answer roll from the Atlantic to the Pacific, echo back and up from the southern frontier, far and away into the frosty wastes of the Arctic circle:

"Every Canadian Loves His Country and will do His Full Duty"

AND every woman whose son or husband, or brother or father is fighting in France, because it means support and comfort and victory to him, sends up a prayer that Canada will provide the money to help him win the war for home and freedom.

Every boy and girl, because they want to have a part in winning the war, and in writing Canada's name into a glorious chapter of the world's history, will help Canada to raise the money by buying Victory Bonds.

★ ★ ★

THEN from the business point of view: The farmer will buy Victory Bonds because it will enable him to continue to supply the armies and the people of Great Britain with live stock, grain and the other products of his fields. The farmer must have a market for his produce and it is essential to Canada that Britain shall be enabled to pay cash for that produce with money provided by Canada's Victory Bonds.

Canada's Victory Bonds make it possible for Canada and her farmers to continue doing business with Great Britain and our allies and it is supremely necessary that the farmer shall continue to produce, and that Britain shall continue to buy his products.

Every man in Canada who works for his living or operates a business of any kind can help himself and help Canada to win the war by buying Victory Bonds. When he buys Victory Bonds he helps to maintain that general prosperity which is essential to his own.

And the prosperity of each individual is indispensable to the nation, because it is from individuals that the nation must get the money to win the war.

It is both Good Business and True Patriotism for every Canadian to buy Canada's Victory Bonds to the utmost of his or her ability

Issued by Canada's Victory Loan Committee
in co-operation with the Minister of Finance
of the Dominion of Canada

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THE FINANCIAL POST
OF CANADA

President - - - - - - JOHN BAYNE MACLEAN
Vice-President - - - - - - - - H. T. HUNTER
Manager - - - - - - - - - - R. G. DINGMAN

A weekly newspaper, presenting in a popular manner reliable information respecting investments and financial affairs in Canada.

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Toronto, November 17, 1917.

DEPARTMENT HEAD IS RESPONSIBLE.

IN business, the head of any department in any paying concern is held responsible for any losses the concern may suffer through his department. He expects to be held responsible for the losses incurred through his department, just as naturally as he expects to be given credit for the gains made by his department. There is never any question about it in commercial life. Why should there be any difference in political life, in national life, in the carrying on of the important economical affairs of the country through the departments of State and their heads?

Take for instance, the Department of Forests and Mines, and the affairs of this immensely important department as carried on in the Dominion. Canada, regarded as a commercial concern, suffers continually considerable, and more than considerable—absolutely staggering—losses through forest fires. It is estimated by the Commission of Conservation that the amount of timber which has been so destroyed in British Columbia alone is not less than 650,000,000,000 feet, almost twice the amount of saw lumber now standing in the Province, and nearly as much as is now left standing in all Canada. Twenty-two times as much timber as the lumber industry has ever cut in British Columbia has gone up in smoke. And forest fires are still doing immense damage every year.

What is the head of each Provincial Department of Forests and Mines doing about it? He is responsible. Does he feel the responsibility as the head of a department in business feels his responsibility—a weight on his shoulders, but a live weight that he likes and that he will shoulder as it should be shouldered, to the commercial success of his concern? Or do the Ministers of Forests and Mines shrug, make excuses and look wise, doing nothing but give a few routine instructions when a forest fire is depleting their Department's resources, the timber resources of his concern—the Province—to the verge of ruin? In short, does each Minister of Forests and Mines realize that he is responsible for any and every loss that the country may incur through his department? Does he realize that his resignation is in order every time a devastating forest fire occurs? For these fires have occurred too frequently for excuses.

SIR ADAM AT OTTAWA.

IT IS announced from Ottawa that there is only a remote possibility of a prohibitive order being issued against the exportation of electrical power to the United States. It is, therefore, quite evident that Sir Adam Beck—fortunately for Canada—has not been able to stampede the law-makers at the Capital as he usually succeeds in doing at Queen's Park when he makes demands.

We say fortunately for Canada because, while Sir Adam may be able to get the Ontario legislature to break its charters and contracts with private interests, it is another matter when it comes to asking the Dominion government to mete out similar treatment to a foreign nation.

The Canadian development companies—including the Ontario Power Company—recently bought for the province by Sir Adam—have contracts for supplying certain American concerns. If these contracts are broken by national authority then national retaliation must be anticipated. THE FINANCIAL POST has already made the point that if American companies are cut off from power which they badly need then they are going to demand that the coal with which to generate that power be withheld from Canada. Such a step would be a logical development.

It is a relief, therefore, to note that Ottawa is acting intelligently in the matter.

LORD RHONDDA, the British Food Controller, states very modestly that if he leaves his present office without making a serious blunder, he will consider himself a success. Mr. Hanna may consider his position as equally trying. Solving the food problem is not as easy as some gratuitous critics in newspaper editorial seats try to make out. Any great measure of success must depend upon the sympathetic co-operation of the public—a co-operation being discouraged in quarters where it should have nothing but support.

* * *

Buying Victory Bonds is supplying the money to back the men at the front and to back business at home—it is hard to take too much of a good thing.

CO-OPERATION IN INDUSTRY

An Editorial in *The Economist.*

WHILE we all recognize that a great and increasing amount of State control over our daily lives is necessary so long as the war lasts, and afterwards while the immense dislocation of the world is being straightened out, yet we are all most heartily sick of it. The war has done more to make all classes hate the very idea of State Socialism than could have been achieved by all the newspapers, books, and speeches had they been directed to this one purpose. We have seen what it means in practice to have, in the old Socialist formula, all the machinery of production, distribution, and exchange in the hands of the State. The "State" means, in practice, a not very intelligent or very well-informed committee of our fellow-sinners. A committee is collectively much less intelligent, and much worse-informed, than its individual members; it becomes a sort of lower common denominator. Whatever may be our business, we want to get back at the earliest moment to individual work and life, to possess our own souls and bodies, and to have the free use of our own brains and energies.

But while our experiences of State-controlled railways, and ships, and coal mines, and engineering works, and food, and drink, and newspapers make us long for the day when the brief Defence of the Realm Act, with its enormous ever-growing comet's tail of regulations and orders, may pass out of our horizon, it is becoming widely realized that we cannot go back to our old free untramelled individualism. We can no longer conduct business, each man for himself, each industry for itself, on the principle of the devil-take-the-hindmost. Co-operation under State compulsion has shown us what might be achieved by co-operation under voluntary organization. Inefficient as is industry under Government control and management, yet we have seen how very great was our frictional wastage before the war under our old free competitive system. The country, by mobilizing its man and woman power, and directing it to one common purpose, has achieved results which are the wonder and admiration of the world. Five millions of men have been withdrawn from productive work, and put to the most expensive and wasteful of all work, yet the country has carried on for three years, and the individual citizens have suffered less of hardship, even of inconvenience, than have the people in any one of the Allied countries, or than have our enemies. We have seen what organized production can achieve even when the inefficient and lumbering State is the organizer, and we have learned that the productive capacity of this England of ours is very much greater than anyone would have believed to be possible before the war. If we can get quit of war, and the burden of preparation for a future war, there is no reason why every man and woman in this country should not have all the necessaries and a good many of the luxuries of life in return for honest, steady work. If industrial production in peace comes to be organized with a view to the greatest happiness of the greatest number, and our citizens can be taught to take a saner view concerning the uses to be made of their money, there will be enough available for everyone who cares to work for it.

Machinery is now so efficient, and so fully developed, that if the present enormous waste by friction between management and labor, between producer and distributor, can be eliminated or minimized, short hours of work are fully compatible with high pay, and with prices far lower than they now are. Wages are paid out of the selling price of the goods produced, and the country's capacity for turning out goods is almost limitless. Given a harmonious system of working between what is called "Capital" and what is called "Labor," and the reduction in the number of channels, and hence in the cost, through which goods pass from the producer to the consumer, high wages, short hours, and cheap goods can exist simultaneously. Over-production, the so-called glut of the market, is nearly always due to inefficient distribution. Either the goods take too long to reach the consumer, or they cost too much in getting to him, or they are the wrong sort of goods. There is scarcely any limit to the desire of mankind to consume goods, both necessaries and luxuries. But in order that there may not be real over-production of any particular kind of goods—few men want eight pairs of boots or ten suits of clothes—that there may not be delays and wastage in distribution, and that there may be constant contact between the wishes of the consumer and the machinery of the producer, a very elaborate national and international organization is necessary. A State organization is the worst possible—it is clumsy, it is inelastic, and it is—in peace time—always in danger of being subject to political influences. No Government, which however it might label itself would be a party Government, can be trusted with the National and international organization of British industrial production and distribution. All the political wire-pullers would harness themselves to it, and it would be hauled this way or that as one or other group became temporarily the stronger.

A State organization being impossible, the alternative is a voluntary one, first of individual industries both for production and distribution, then of combinations of allied industries, and finally a central organization for British industry as a whole. The British people, when they give their minds to the business, are for all their engrained individualism the best organizers in the world. The Germans may plan a more perfect machine, more logically perfect, but when it comes to efficient working we would back the British machine against the German one. Ours would be more flexible because illogical. And already in a quiet fashion a good deal of work has been done during the war by British industries to set up the voluntary organization to which we refer. There have been federations between employers for a long time past, but they have been formed chiefly or entirely for dealing collectively with the demands of labor. They have been the employers' reply to the federations of trade unions. The newer federations are very different. If they have not yet reached the stage of actual co-operation in production and distribution they are tending in that direction. They are a recognition of the fact that industrial firms may be competitive, and still have wide common interests. We are moving in particular industries, especially those which are the least diverse in their products, towards a complete organization right through from the raw material to the consumer.

Continued on page 11.

REMARKABLE CAREER OF "N.C.R." PATTERSON

He Makes Workers Happy and Cash Registers for the Whole World—His Simple Success Recipe.

JOHN H. PATTERSON, who is devoting his life to the making of cash registers—and millions—ranks with the few employers who have chosen to spend much of their fortunes on their own employees. Few, indeed, are the millionaires who have given first consideration to those who have helped them make their riches when it is so much more simple and spectacular to build ornate halls and institutions or to proclaim large profits to this or that organization. B. C. Forbes in his "Men Who are Making America," tells how Mr. Patterson has made of his factory and its environment a thing of beauty, has put joy into work, and has made the earning of a living harmonize with the earning of happiness. He writes:—

The workshop of the National Cash Register Company, at Dayton, O., is a steel and glass palace flooded with light. Through its thousands of windows the workers can feast their eyes on exquisite views. The air throughout all the buildings is changed every fifteen minutes. Hundreds of shower baths are provided and every worker is allowed to enjoy them in the company's time. Of course, there is a hospital with a doctor and trained nurses in attendance; employees receive electric massage treatment free of cost; there are numerous rest rooms for women employees. To avoid the overcrowding of street cars and elevators and to save the women from having to mingle unceremoniously with the men, the former are allowed to start work half-an-hour after the men and to finish fifteen minutes before them. At ten every forenoon and three every afternoon recesses are granted the women workers. The commodious dining rooms furnish midday meals at cost and an orchestra regales the diners with sprightly music.

Every noon hour a moving picture or other entertainment is provided in a hall which seats 1,250, and here those who bring their own lunches may sit and eat while enjoying the pictures, the music and, occasionally, short talks. The men are given the privilege of smoking. By an arrangement with high schools and colleges, vocation training is provided promising youths.

Not one acre of Mr. Patterson's extensive estate, Hills and Dales, is reserved for his exclusive use; every square yard of it is thrown wide open to his employees and to the public. There is not a fence or a locked gate on the whole place. Instead, it is dotted with quaint, rustic camps where all sorts of paraphernalia are provided free for picnic parties—cooking utensils, tables, benches, even flour and waffle machines and distilled water.

A golf course, tennis courts, baseball field and other facilities for recreation are provided, while a large club house permits of dances being held on Saturday evenings and all sorts of concerts, lectures and entertainments throughout the week. There is another club house in the city for the use of employees, and here largely-attended educational classes are held in the winter months.

When he started, over twenty years ago, to treat workers like human beings other employers called him a fool, a fanatic, a socialist, a dreamer. They warned him that coddling labor would bring him nothing but discontent and disaster, but he contended that unless employers showed the working people greater consideration grave trouble would arise sooner or later.

Revolution.

Let us first trace briefly the record of John H. Patterson and the making of cash registers before this turning point was reached.

There were no cash registers when John Henry Patterson was born—December 13, 1844. He was born, almost on the spot now occupied by the National Cash Register Company at Dayton, O. As a lad, one of eight children, he had to work hard on the farm. He received a good education, first in the Dayton schools and later at Miami University and Dartmouth College, where he graduated B.A. in 1867, having previously served in the Civil War as a Hundred Day Man, although then only a stripling.

Set Up As Coal Dealer.

Farm labor had little attraction for the Bachelor of Arts. Commerce appealed to him most, but he could not pick and choose jobs. He wanted to buy and sell things. Having saved a little money, he succeeded in borrowing a little more and set up as a retail coal dealer in Dayton. From selling coal he gravitated to mining coal and iron ore, in partnership with his brother, Frank, in Jackson County, some eighty miles from Dayton.

To enable their miners to obtain supplies, the Pattersons, in conjunction with two other mining concerns, opened a store. Business was plentiful, but profits were nil. At the end of two years the store had not netted a cent notwithstanding that all goods were supposed to be sold on a reasonable margin of profit. There was a leak somewhere.

Birth of Register.

Hearing that a merchant in Dayton had invented a contrivance to keep a record of all sales, Mr. Patterson immediately telegraphed for two of the novel machines. The idea of the cash register had taken birth in 1879, in the brain of Jacob Ritty, a Dayton merchant who, suffering from a breakdown due to overwork and worry in attempting to keep tabs on the details of his business, had started on a voyage to Europe. While in the engine room of the ship one day, he noticed a device that recorded the number of revolutions of the propeller shaft. Why not construct a machine that would record each coin put in the till? Hurrying back, he set to work with his brother, a skilled mechanic, and evolved the first cash register.

Mr. Patterson's was the first order filled. Crude and clumsy though it was, the machine immediately turned the store's loss into a substantial profit. Mr. Patterson's commercial instinct told him that the new invention had unlimited possibilities. "What is good for our store is good for every store in the world," he told himself. At the first opportunity he went to Dayton, investigated the situation thoroughly and, although only a few machines had been turned out, he was so certain of the outlook that in 1884 he bought out the Ritty business and changed the name from the National Manufacturing Company to the National Cash Register Company.

Factory Was Unattractive.

The acorn did not at once grow into an oak. Troubles and obstacles were met at every turn. Construction of the cash registers demanded highly skilled and scrupulously careful workmanship of a novel kind. It was difficult first to teach the workers and then to retain them, as their expert services were sought by others. The factory was located in an unsavory section of Dayton called Slidertown—everybody and everything on the downgrade had a habit of sliding into this section. To work at "The Cash" did not bring a high social rating; in plain language, the better class of young men and particularly young women preferred to earn a living in more respectable surroundings.

John H. Patterson was partly to blame for this unsatisfactory state of affairs. He was not then a model employer. He was neither better nor worse than other factory owners. His interest in his employees was confined to what he could get out of them. And they repaid him in kind. Poor working conditions begot a poor product.

So bad, indeed, did things become that in one year $50,000 worth of machines was thrown back on the hands of the company as faulty.

Patterson Woke Up.

Then John H. Patterson woke up.

He experienced not only a change of viewpoint, but he underwent a change of heart. Adversity taught him humanity. Why should workers treat him with more consideration than he was treating them? Why should they interest themselves in his welfare if he was not interested in theirs? He would adopt a new policy. Also, he installed his own desk in the centre of the factory floor.

With this new spirit in his heart, he went to the factory to study conditions. He saw a woman engaged, as he thought, in mixing glue in a very unscientific way. He spoke to her. "It's not glue, it's coffee," she told him. Leavings from the previous day were being reconcocted.

Mr. Patterson immediately ordered the manager to arrange to have the women supplied with good coffee every day. He next looked around for other things needing correction. Not noticing any provision for the proper serving of the coffee, he summoned the manager, who gave him a dozen reasons why the factory could not be turned into a coffee house. Mr. Patterson ordered him to rent a house across the street for the purpose. Again there was delay. This time the manager and his assistants were told that dismissal would follow were the reform not instituted forthwith.

Begins Reforms.

The serving of the coffee had an instantaneous effect upon the output of the women. Patterson learned that kindness paid in dollars as well as in disposition. From that day on he never wavered in his determination to improve the lot of his people. One thoughtful innovation after another was introduced and a systematic effort was made to raise the quality and tone of the working force.

Better workmanship and better product brought increased business. Sales increased from a few thousands a year to several score of thousands. Larger buildings became necessary. Slidertown had been cleaned up somewhat under Mr. Patterson's influence, but it was still no Newport or Tuxedo. Mr. Patterson next bought up much of the property in the neighborhood and resolved to

Continued on page 11.

PERSONAL

MAJOR HUME CRONYN, K.C., who has been nominated as a Unionist candidate for London, is well known in loan and mortgage circles in Canada, being managing director of the Huron and Erie Loan & Savings Company, and of the Canada Trust Company, which is affiliated with it. He is also vice-president of the Dominion Mortgage & Investment Association and a director of the Mutual Life Assurance Company of Canada. He was born in London, Ont., in 1864, and has spent practically all his life in the forest city, where he occupies a large place in the business community.

A. P. McEACHREN, manager of the Canada Bond Corporation, news of whose tragic death in an automobile accident near Barrie stunned the younger section of Toronto's financial community this week, was one of the most promising young men in the Canadian bond business. Though only about twenty-six years of age, he had been entrusted with the heavy task of organizing the counties of Simcoe, York, Ontario, Victoria and Haliburton for the Victory Loan campaign and was engaged in this work when he met with his untimely end. He was a likeable chap, keen and energetic, and was developing at a rate that was attracting favorable comment among Toronto bond dealers. Prior to his con- poration, he was associated with the nection with the Canada Bond Cor- Ontario Securities Corporation.

Hon. HORMISDAS LAPORTE, the successor of Sir Edward Kemp as Chairman of the War Purchasing Commission is president of the wholesale grocery firm of Laporte, Martin & Co., Montreal, and was associated with Sir Edward on the Commission since its inception. He was born at Lachine, Nov. 7, 1850, educated at the schools of Sault au Recollet and afterwards McGill University and started into a business career with a retail grocery firm in 1870. Eleven years later he was at the head of a wholesale firm. Mr. Laporte is prominent in financial circles as president of the Provincial Bank of Canada and a director of the Credit Foncier Franco-Canadien. In civic affairs he has taken a leading part. In 1897 he was elected a member of the city council by acclamation; then became chairman of the Finance Committee and in 1916 was elected mayor.

His services have been at the city's disposal in many other directions; he was one of the founders of La Chambre de Commerce; has been a member of the Board of Harbor Commissioners; president of the Good Government Association; vice-president Montreal Industrial Exhibition Association, and first president of the Alliance Nationale. His friends report that Mr. Laporte has two hobbies, "bridge" and fishing. He has a summer home at Coteau du Lac, about 35 miles up the St. Lawrence from Montreal, and when he is spending a holiday there may be seen any day with a guide in his motor launch trying fisherman's luck. His motor boat contents him as a personal method of transportation; so far he has held out against the allurements of a motor car.

MAJOR GOULD AIRDRIE BELL, who has been appointed government director of the Canadian Northern Railway in succession to Senator H. A. Richards, has been occupying the position of financial controller of the Department of Railways and will bring with him to his new office 15 years' experience in railway financing. Born at Perth, Ont., in 1874, he entered the Post Office Department at Ottawa as a clerk in 1890. Two years later he was transferred to the Railway Department and advanced through various offices to the position of controller to which he was appointed in 1912. He attained his military rank in connection with the 43rd Regiment at Ottawa, with which he served as lieutenant at the outbreak of the South African war. In 1915 he served the government in England and France on a special commission.

C. W. STRATHY, who has been appointed treasurer of the North American Life Assurance Company, is a member of the well known Strathy family of Toronto, several of whose members have attained positions of importance in the financial arena. He is a nephew of H. S. Strathy, former general manager of the Traders Bank, and a brother of Stuart Strathy, now supervisor for Ontario of the Royal Bank. Mr. Strathy commenced his business career in the office of the Canada Permanent Mortgage Corporation, and was for 22 years associated with that institution, latterly as manager at Edmonton. Eleven years ago he was appointed Western loan manager of the North American Life Assurance Co., with headquarters in Winnipeg. He will now move to the head office, where he will take charge of all the company's investments, a task for which his long experience in the loaning field fits him admirably.

LIEUT. TRAVERS WILLIAMS-TAYLOR, who, according to cable advices, has been with the Imperial Cavalry, is a son of Sir Frederick Williams-Taylor, general manager of the Bank of Montreal. After a dashing and successful charge by the 13th Hussars, Lieut. Williams-Taylor was last seen wounded in the thigh and pinned down under his horse. When the ground was occupied some hours later no trace of him could be found, but his horse was found some distance away. There are grounds, therefore, for believing that he is a prisoner. When war broke out Lieut. Williams-Taylor was completing a course at the Royal Military College, Kingston. He took out a commission and joined the First Canadian Contingent in August, 1914. He was attached to the headquarters staff at Valcartier camp, and remained attached to the staff when the Canadians crossed to England. In France he was A.D.C. to General Alderson. He was with the Canadians eighteen months, and then took out a commission with the British permanent force in June, 1916, and shortly afterwards went to the Mesopotamia front.

EDSON L. PEASE, vice-president and managing director of the Royal Bank of Canada, who has been re-elected president of the Canadian Bankers' Association, is an outstanding figure in Canadian banking and financial circles. He is a director of the Montreal Trust Company and of the North British and Mercantile Insurance Company. He has attained to his present position after a successful career of many years in various banking capacities. As a youth he entered the service of the Canadian Bank of Commerce at Montreal in 1874, and nine years later joined the Merchants Bank of Halifax as accountant. "The Merchants of Halifax" is a name which was later changed to the Royal Bank of Canada. Mr. Pease was made branch manager of the Royal at Montreal in 1887 and joint general manager ten years later. He became general manager in 1900, a director in 1907 and vice-president the next year. Changes which have taken place recently have resulted in the creation of the office of managing director which he now fills. His ability and aggressiveness have played a large part in the rapid development of the Royal in the Canadian banking field.

WILLIAM PEARSON GUNDY, who has been appointed a member of the War Purchasing Commission, succeeding Sir Edward Kemp, is vice-president and general manager of Messrs. W. J. Gage & Co., Toronto, and an important figure in the business life of the Queen City. He is also vice-president and managing director Kinleith Paper Company, and vice-president Educational Book Company. He joined W. J. Gage & Co., in 1881, after being several years in the civil service in the Queen's Printer's Department. A year later he opened a branch house for this concern at Winnipeg and returned to the Toronto office in 1884. He assumed management of the present business in 1890 and was made managing director three years later. He was elected to the vice-presidency five years ago. His field of interest in business, industrial and public affairs has been a broad one. He was a delegate to the Congress of Chambers of Commerce of the Empire in Montreal in 1908 and Chairman of the Toronto Delegation to Congress of Chambers of Commerce of the Empire, Guildhall, London, in 1912. He has also served on the Ontario Commission on Unemployment and in 1914 was president of the Toronto Board of Trade. His name appears on the directorate of a number of Toronto public organizations and institutions. A Liberal in politics, his appointment represents the new trend in Canada's public life in the appointment of efficient and capable men on their merits rather than as claimants of the reward of political service.

RAILWAY CAPITAL IS ALSO MORE EXPENSIVE

James Speyer Argues That Freight Rates Should be Advanced to Provide for Higher Interests, as Well as Other Costs.

In several recent issues THE FINANCIAL POST has advanced reasons and arguments for the granting of the demands of the Canadian railways for an increase of 15 per cent. in freight rates—an increase which has not been granted by the Railway Commission despite the overwhelming evidence submitted in proof of its necessity. These reasons and arguments have for the most part been designed to show that the increase is in the country's best interests because, owing to the abnormal prices which the railways have to pay for rolling stock, for materials and for labor, they are being actually starved from the standpoint of income and will not long be able to give the country efficient transportation service—service of which the country never stood in greater need and service which is likely to prove an important factor in Canada's efficiency as a factor in the war.

Little has been said from the standpoint of the investor—from the standpoint of the people who have put their money into these propositions and whose security is being gradually squeezed flat because of the declining income. But the fact remains that in view of the present value of capital these shareholders are actually entitled to greater returns on their money than under ordinary conditions. To secure new capital would mean that the roads would have to pay higher rates of interest than ever before; in fact such is the situation in the money market and such has been the depression of their earnings, and the value of their assets as the result thereof, that they are not in a position to borrow money at all.

This point regarding the value of capital at the present time and its advance with the prices of labor and materials has been emphasized by James Speyer, of Speyer & Co., New York, a big investor in American railway securities, who a few days ago seconded a resolution of the New York Chamber of Commerce calling upon the Interstate Commerce Commission to grant rate advances commensurate with the increased costs of transportation, as well as with further increased costs which are already in prospect, in order that the railways may be enabled to give the greatest possible service during the war and in order that the confidence of the investment public may be restored to the extent that new capital may be encouraged so that the carriers will be able to put themselves in a position to meet the constantly increasing commercial demands of the country. Mr. Speyer said:

"I would like to second the resolution. I would like to call your attention to what it seems to me is a very important point that has been omitted, and that is the increased cost of capital. It is not only the increased cost of labor, and the increased cost of material, but the increased cost of capital which the railroads have to raise. I do not know whether the gentlemen here are quite aware of what is happening in railroad securities, what has happened in the last year or two. The depreciation in railroad securities since the first of January, until a month ago, listed on the New York Stock Exchange, has amounted to over $1,400,000,000. During that one month it has increased very considerably. This calculation leaves out entirely the railroads in process of re-organization. The increased cost of capital is shown in the decreased prices on the New York Stock Exchange. At the beginning of the war there were eighteen railroad stocks listed on the Exchange which sold enough above par to enable the railroads to finance by the issue of common stock. That number has now shrunk to eight. There are only eight railroad stocks selling sufficiently enough above par to enable the companies to finance by the issue of common stock. If they cannot finance by the issue of common stock they must issue bonds and fixed obligations. The consequence of that is perfectly clear in the loan market. If the situation is not changed it will lead to insolvency. I believe that the time has come to speak out and show clearly how very serious, not only for the owners of railroad securities, but for the country as a whole, this present condition is. Some of the railroad officials have hesitated to explain how serious the outlook is, because they thought they would hurt the credit of the company still more by giving the facts. But the time has come to state the facts, and to state them accurately, and, without understating them, they are bad enough. I think the time has come for the railroad officials not to try to make a better showing in order to preserve the credit of what is left, but to state the facts so they can get relief. I am perfectly convinced that if the American people understand the situation, and see what is threatening, not only the owners of railroad securities, but the National Treasury, through the income tax, we will get the relief. It should be stated clearly and not understated."

The Example of the C.P.R.

The effect of the falling profits of the railways upon the investment situation is indicated by the fact that Canadian Pacific stock is now selling down towards 130. Many people paid more than double this amount for their holdings and their loss is due, to no small extent, to the near-sighted policy of the Railway Commissioners who are quite evidently concerned in the game of politics and therefore decline to do anything which might arouse the antagonism of any section of public opinion when an election is approaching.

This stock now selling around 130 is the same which that faction of public opinion which finds expression in the Toronto *World* and like publications demanded should be sold to the shareholders at the last distribution at the market, around 250 to 270; the price at which the distribution took place was 175. At that time THE FINANCIAL POST took the attitude that the market price was too high. This view has been justified by the recent developments. A distribution at the market at that time—a market raised to inflated levels by speculation—would have resulted in giving further temporary stability to the inflated values with greater eventual losses to the shareholders and investors.

The Victory Loan

November 12th, 1917

Royal Securities
Corporation, Limited

164 St. James St.
MONTREAL

INVESTORS' INQUIRIES

Information under this head is given in answer to direct requests from investors who are readers of The Financial Post. Many questions respecting securities are answered by mail direct. We would remind correspondents that it is now necessary to enclose three cents in postage stamps to cover postage on answers direct.

C. G. E. AND SMELTERS.

C.B.D.—I am in rather a dilemma as to what I ought to do about my shares in Canadian General Electric and Consolidated Mining and Smelting. Would be greatly obliged for any information; I paid $125 for C. G. E. in 1915.

No doubt from your standpoint it would appear that the securities referred to, Canadian General Electric and Consolidated Smelters, have recently developed weakness. This, however, is not necessarily the case. For some time there has been in operation a process of readjustment on the American and Canadian markets. In this, two principal factors have been at work. In the first place there has been a realization of unhealthy prosperity under war conditions. In the second place the floating of war loans at increasing rates of interest has depressed the actual value of other investments.

These conditions, with the realization of the seriousness of the situation in the United States since that country has itself entered the war, have in our opinion depressed the market until securities are selling below their intrinsic value just as they were bringing more or less inflated prices during the war boom of a year or so ago. Under the circumstances therefore we do not consider it a time in which good securities can be sold to advantage. We do not say that with a continuation of the war and war financing prices may not go lower but we do believe that holders of stocks who can afford to wait until there is an opportunity for another readjustment will reap the benefit. The only question with both of these concerns would appear to be as to what effect post-war conditions will have upon their earning power and that is something which, of course, it is very difficult to judge.

In the case of General Electric you state that you paid $125 for the stock in October, 1915. To-day it is selling at about 102. The readjustment, however, is not so great when compared with such solid public utility propositions as Bell Telephone which has declined from 140 to 130 and Consumers Gas which has declined from 176 to 148, or Canadian Pacific which has declined from 153 to 133. General Electric in fact as an industrial which benefited from munitions business has stood up comparatively well. Consolidated Smelters has greatly increased its output since the outbreak of the war and we do not believe that the present price is a fair indication of the actual profits being made. This despite the fact that higher costs of production have greatly reduced the net showing. Demand for the company's products will undoubtedly continue very strong so long as the war continues and even after it is over the company should be in a better position in relation to outside markets than before August, 1914.

BRITISH CATTLE SUPPLY.

A.J., Ville-Marie.—Some months ago I sent an application for stock to the British Cattle Supply Company but since that time communications have been returned from the post office. Can you give me any information as to the present standing of the concern?

It would appear that the British Cattle Supply Co. has been a failure owing, it seems, to the difficulty of securing capital and the fact that the corporation controlling the land on which it was proposed to establish the enterprise has failed to live up to its side of the agreement. An order for the winding up of the company has been granted in the Supreme Court and a permanent liquidator will be appointed during the latter part of the present month. The agreement was that the British Cattle Supply Company should turn over to the British Land Corporation stock totalling two and one-half million dollars in return for certain land, being an area of close to 500,000 acres. The company it is said was willing to carry out its part of the contract but the Land Corporation has evidently not been able to live up to its agreement.

UNITED CIGAR STORES.

Investor, Cookstown.—"I am thinking of investing some money in the United Cigar Stores of Canada for preferred stock. They also offer a bonus of 50 per cent. of common stock. I would like to have your opinion regarding the investment."

We gather from your letter that you refer to an investment in the new stock of this company, being offered in some quarters at par. While under ordinary circumstances we would scarcely hesitate to express a favorable opinion of United Cigar Stores preferred stock, the fact that it has been selling on the New York curb as low as $3.00 a share does not make an investment in the new stock at $5.00 a share, even with the bonus of common, as attractive as it might be.

The company has had a good record. It now operates 126 stores and sub-branches in 39 cities and towns throughout Canada and will eventually increase the number; it also owns four cigar factories, employing 800 people and capable of producing 24,000,000 cigars per annum; and a chain of drug stores. The company has paid dividends regularly since its inception in 1914 at the rate of 7 per cent. per annum. In a recent statement, it was explained that there is at present sufficient reserve, surplus and undivided profits to pay the required dividends of the company for the next two years without the necessity of withdrawing one dollar of future profits from any of the operating companies during such period.

The stock market, however, is in such a weak condition just now that in many cases prices do not really represent the intrinsic value of securities. This is true of United Cigar Stores stock and, on account of the decline from the issue price, no special effort is now being made to float new shares at par.

MISTAKE IN POLICY.

Policyholder.—"After I had held a life insurance policy for over two years, it was found that the insurance company had inserted the wrong schedule of cash surrender values in the policy contract. My application was for a whole life policy, whereas it is now claimed by the company that the schedule contained values on the basis of a 20-payment policy. The company states that it will not recognize these values should I put in a claim on them and that if I continue to pay premiums it must be on this understanding. Are they not bound by their contract?"

Occasionally such or similar mistakes are made by insurance companies. We understand that the general practice, when these are discovered, is for the company to write to the policyholder, admit the error, state that strictly speaking they are liable and request him to allow them to rectify the mistake. In your case the company seems to have adopted a rather unconciliatory attitude. It is just possible, of course, that should the matter be taken into the courts, they might win out, though this is doubtful. At the same time they would hardly likely go to the extent of a legal contest. They have been guilty of a careless mistake and should be held accountable for it, as it might, instead of being prejudicial to them, have been prejudicial to you.

CO-OPERATION IN INDUSTRY

Continued from page 10.

While we regard this organization of industries on co-operative principles with a kindly eye, and look upon it as necessary to the efficient future production of the country, yet there are great and obvious dangers which have to be faced. We cannot as a people allow our chief industries to become great rings or kartels maintained simply to fleece the consumer. That is their inevitable tendency, and if those who guide them have not the good sense to see the danger, and to avoid it, we shall have our old enemy State Control returning fully armed with the unanimous support of the consumers. We have our rings already in some industries, and we do not love them. Industry must be organized in the mass, but it must not grow into rings. The British trust, on the American model, fenced about with protective tariffs, will not be endured in this country. If our co-operative organizers are wise they will add not only labor, but also the consumer, to the circle of their beneficiaries. If they are not wise then they will have State Control put upon their necks, and their freedom of effort for real good greatly hampered. Any attempt to achieve full efficiency in production and distribution which does not have as its paramount aim the cheapening of the product to the consumer will fail, and deservedly fail, through the revolt of the consumer. We put up with regulations and orders in time of war, but we are not going to put up with industrial Trusts in time of peace.

AS OTHERS SEE US

In quoting what it refers to as THE FINANCIAL POST'S remarkable article under the heading "Revolution Talk in England," the Island *Motorist* published at Victoria, B.C., comments: "It certainly makes one think."

TIME FOR A SHAKE-UP.

Prince Rupert *News*.

Apologising for Sir Robert Borden's sins of omission during the last six years THE FINANCIAL POST blames "the lot of incompetents not only in his cabinet but in the public service," with which he was surrounded. "Both Messrs. Ballantyne and Crerar," it continues, "two very excellent business men, had not been in office more than a few days before they each confided to their intimate friends that the atmosphere at Ottawa was most depressing, most restraining on any one who desired to do things and get things done." Ottawa must be like a graveyard—full of dead ones. It's time for a shake-up.

CANADIAN TRADE BOOMING.

The American Banker.

Our respected neighbor, the *Financial Post of Canada* published at Toronto, is unable to see anything but boom times and fair weather ahead in so far as Canadian trade and industry are concerned. In a series of articles representing the views of the leaders of Canadian "big business," it is emphatically stated that commerce and industry in the Dominion were never stronger than at present, and that post-war conditions will be still more favorable. These facts should replace the quivering fears of the uncertain ones in this country who, before we have been fairly started in our war operations, are ready to howl with fear and alarm, predicting dire calamity to everybody.

One of the important contributing factors to present-day prosperity is the fact that Uncle Sam must now go across the border for shells and other forms of war goods. Canadian manufacturers are already figuring on a $50,000,000 war baby in the shape of an order from the United States Government for shells in that value. *The Post* says that there is no doubt of the certainty of the order, for prominent Canadian manufacturers have "returned from Washington, where they have completed the necessary arrangements."

"The importance of the impending announcement cannot be over-estimated. It will completely change the outlook. A brisk, prosperous winter is ahead. This development crystallizes much of the growing co-operation with the United States which has been apparent for some time. The arrangement now going into effect organizes the situation and provides machinery for the utilization of Canadian resources to help Uncle Sam get quick deliveries on his tremendous needs. It can be regarded as the forerunner of bigger things."

The Post raises the question as to whether objection will be raised in certain quarters as to the placing of orders outside the United States, and financing them with the proceeds of the Liberty Loans, which, it says, were "raised on the understanding that it would not be spent outside the country." In the first place, subscribers to the Liberty Loan were given no such assurance either officially or unofficially; in the second place, Canada is not considered an "outside country," especially since our entrance into the war. Considering the fact that during the past six months we have loaned our European allies over three billion dollars on no other security than the "scrap of paper" which represents the pledge of their sacred honor; considering that manufacturing plants in the United States are taxed to capacity, and that we are already feeling the loss of man power in industry as a result of the army draft, and it will be readily admitted that Canada's co-operation will be most welcome at this time.

SHAUGHNESSY'S SAVINGS.

Lord Shaughnessy told the following story of how he saved his first hundred dollars, at a meeting at the Windsor Hotel, Montreal, in connection with the war loan:—

In the early days nearly fifty years ago, when my salary was a modest one, but in excess of that received by most of the young fellows with whom I associated, the portion of the monthly pay which I felt justified in appropriating to my own use disappeared regularly and rapidly with nothing to show for it. I conceived the idea of calling on an acquaintance, the cashier of a private bank, to ask if he would loan me $100 at the current rate of interest, against my notes in monthly amounts covering a period of six or eight months. In those early days, bank cashiers and managers were more considerate and confiding than they are in these times, and he agreed. The notes were made and turned in, and $100 in currency was handed to me, which I immediately placed to my credit in the Savings Department. The cashier did not understand the novel transaction, and asked the purpose. I told him that these notes would be personal obligations that I would meet each month as they became due, and that at the end of the period I would have a bank account of $100 and so it worked out. The notes were met without causing any special inconvenience, and during the few following years of varying fortune, that amount of $100 never grew less. Indeed, if there be anyone present to whom I owe money, he may be gratified to know that I still have it.

REMARKABLE CAREER OF "N.C.R." PATTERSON

Continued from page 10

spend both money and time in revolutionizing the whole neighborhood.

Most important of all, he engaged the leading firm of architects in America to design a factory building which would be the very antithesis of the ordinary factory. He wanted it to contain every conceivable appointment conducive to the comfort and safety of the workers. He wanted, also, halls for noonday entertainment, for holding of classes, for illustrated lessons and lectures on the different phases of manufacturing the cash register and on salesmanship.

Reforms Boys.

When the glass and steel palace began to be erected Dayton shook its head. Among other things, Patterson was told that the boys of Slidertown would not leave one whole window overnight, that new glass would cost him more than his profits. Patterson took the boys in hand and began to transform embryonic gangsters into young gardeners and young gentlemen. The boys were given individual gardens, received instruction from a head gardener, were shown how to organize themselves into a stock company, were inspired to interest themselves in the work, received prizes and, at the end of the year, were paid dividends from products sold. The company was run entirely by the boys themselves. Also, a club was formed to send city lads to work on farms during summer vacations. This solved the window-breaking problem—and solved, also, problems of more vital importance to the boys and to society.

Bankers Try to Get Him.

His enormous new plant, however, was costing him a mint of money. So were grounds he had bought for the use of his workers and others. The rapid expansion of his business—in two years he sold as many machines as he had sold in the previous twenty-two years—necessitated the tying up of extensive capital.

Like a thunderbolt came the announcement from the bankers that he must pay off loans. Not a dollar could he obtain from any bank in Dayton. This, Patterson's critics and enemies chuckled, would put a quietus to his welfare capers.

It almost did. Patterson, however, was a born fighter. He also was a philosopher. "Thrice is he armed who hath his quarrel just," he reassured himself. It was a time of tight money, and outside banks were indifferent or worse. Finally, however, a New England financier sent a representative to Dayton to analyze conditions. He learned the cause of the trouble and he learned also that the Patterson brothers were men of unimpeachable character, of indefatigable industry, of indomitable will and that they were conducting a growing, profitable business. All this appealed to him and he offered to lend them several times the amount they had asked. Had the character of the Pattersons not withstood the searching test, the history of the National Cash Register Company might have ended disastrously.

Slidertown Spruces Up.

Mr. Patterson's activities on behalf of his employees multiplied. Slidertown began to blossom. Besides the boy club gardeners, grown-ups in the neighborhood became so greatly enamored of the beautiful that, under consistent encouragement, they began to spruce up their homes and to surround them with flowers and lawns.

Mr. Patterson also worked laboriously and against much discouragement to arouse the citizens of Dayton to make of it "The City Beautiful." He threw himself enthusiastically into reforming the administration of the city, then politics-ridden, not to say corrupted. Like most reformers, he made enemies.

Nor did he wholly escape the trouble with workers which other employers had predicted. During a period of acute labor unrest throughout the country, whisperings began to be heard that a section of the Cash Register workmen were to strike. Mr. Patterson's kindness had been misinterpreted as weakness. Some of the men wanted to become masters of the establishment. They imagined they could do as they pleased, that Mr. Patterson would submit to anything. He had made one mistake in the treatment of his workers; some of the privileges, such as taking baths and attending certain of the entertainments provided, were made compulsory. This form of paternalism, naturally, was resented. Mr. Patterson, however, saw his mistake and rectified it.

Closes Factory.

On learning that a strike was to be called by a part of the workmen, he assembled the whole force, explained that he understood some of them were dissatisfied, told them he himself was not wholly pleased with the way things were going and announced that a rest would probably do them and him good. He closed the whole works without intimating when they would be reopened and then went traveling.

At first the prospective strikers were jubilant over their "victory." Within a fortnight, however, other classes of employees began to criticise the malcontents. Another week passed, and still no intimation of re-opening. Inquiries began to be made as to when work would be resumed. No comforting information was forthcoming. At the end of a month things began to be made unpleasant for those responsible for the shut-down. Petitions began to be sent Mr. Patterson to come back and open the gates. But not until two months had passed did he announce that he would return to Dayton although he let it be known that he had been invited to locate his work at other more convenient points.

The whole city prepared to give Mr. Patterson a welcome home with brass bands, public receptions, complimentary dinners, and laudatory speeches. Sober reflection had convinced the citizens that Dayton could not afford to lose Patterson.

He would have none of their joyful reception. Instead he replied by outlining a long list of things Dayton citizens ought to do to make their city more attractive, more efficient and more healthy.

Labor Taught a Lesson.

He re-opened the works and there was not another murmur of a strike, and since then he has had no trouble with labor. The true worth of his work for his employees and for Dayton was grasped during the period when there were fears that Dayton would lose both him and his plant, thus emptying thousands of pay envelopes weekly.

When the national mania for trust busting swept across the land the Government did not overlook the National Cash Register Company. Was it not rapidly becoming almost a monopoly? Patterson's reply to that was that he owned the basic patents for cash registers and that he was entitled to fight competitors both legally and commercially. Fight them he did without mercy. Into the rights or wrongs of the Government's prosecution I cannot here enter. A lower court sentenced a number of the officers and responsible employees of the company to a year's imprisonment, but this verdict was quashed by the higher court. The Government did not drop the matter, but started to prosecute the company under the civil section of the Sherman Law, and rather than continue at loggerheads with the Administration for another year or two, demoralizing the whole organization, Mr. Patterson was induced to plead guilty to the technical charge of "conspiring" to build up a monopoly, a business policy which Mr. Patterson had all along contended he was entitled to follow by reason of his exclusive patent rights.

Mr. Patterson declared to me that only the consciousness that he was doing constructive work and setting an example to other employers in the treatment of workmen impelled him to struggle on against both labor and governmental obstacles after he had all the money he needed for his personal and family requirements.

The Dayton Flood.

To the American public the crowning achievement of John H. Patterson was that which won him the title "The Saviour of Dayton," on that memorable day and night of March 25-26, 1913, when the greater part of the city was flood-swept and laid under as much as seventeen feet of water.

It was Patterson who, hours before the flood came, by telephone, by telegraph, by horseback, by automobile, by foot messenger, by every means of communication that could be impressed, aroused the whole city to its impending danger and gave instructions how to prepare for the coming avalanche of water. It was Patterson, too, who summoned his executive and other forces to Industrial Hall, mounted the stage, and showing his famous pyramidical chart illustrating the organization of the company, announced: "I declare the National Cash Register Company out of commission and I proclaim the Citizens' Relief Association." With a piece of charcoal he sketched a diagram of the Relief Association, naming a head for each division of the work and instructing them how to proceed.

From the Patterson factory came rafts and boats—constructed of materials taken from his immense lumber yards—at the rate of one every seven minutes.

Saves Many Lives.

By common assent Patterson became the acknowledged dictator of the whole rescue work. Never did military general direct forces with more skill, with more rapidity or to more effect. So brilliantly did he command that when General Wood, commander of the U. S. Army, and Secretary of War Garrison rushed to the scene and viewed the functioning of the Patterson emergency machine they announced: "We can do nothing beyond what you are doing."

A faint glimmer of what Dayton underwent may be derived from the fact that in one improvised maternity hospital twenty-nine children were born during that terrible night.

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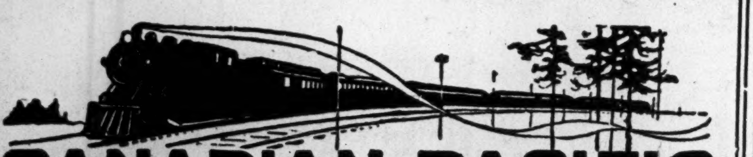

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NEWS OF THE BOND MARKETS

LOAN CAMPAIGN NOW A STORY OF FIGURES

Interest Centers in the Rapidly Mounting Totals at Headquarters.

THE MONTREAL CAMPAIGN

Interesting Features in Connection With the Sale of Bonds—Some Large Subscribers—Public Holiday Declared.

The Victory Loan campaign has crystallized into a story of figures, and figures that are changing rapidly from day to day. At headquarters in the Canada Life Building, Toronto, workers are watching the immense record boards with as keen interest as baseball fans watch the newspaper score boards or politicians the screen-displayed returns of an election. There are daily objectives to be reached; there are rivalries between cities, towns and counties to be followed, and above all there is the steadily-mounting total to be watched.

So far, all goes well. Though returns from some quarters are coming in slowly and totals are consequently incomplete, the results are entirely satisfactory. The big cities are doing well and the provinces are coming up to expectations. As one little indication of how successful the campaign is proving, in Toronto alone and in three days over 10,000 subscribers were secured, which is one-quarter of the total subscribers in the whole of Canada to the last loan.

In order that the total may be rolled up smoothly and steadily and that there may be no discouraging set-backs, the big institutional investments are not being announced too quickly. Some are being held back of set purposes. From the public standpoint this is good policy, as it tends to maintain interest and give the touch of uncertainty which is necessary to the keenest effort.

That the $300,000,000 objective is certain of achievement seems fully assured. Ontario alone, at its present rate of progress, will produce at least half that amount and the rest of Canada can surely be counted on to supply a like amount. The western provinces, according to best reports, are going to surprise the east, by the extent of their subscriptions.

Campaign in Montreal.

The Montreal Stock Exchange was practically deserted early this week as most of the brokers were on committees that were canvassing for subscriptions for the Victory Loan. There was evident at the start a determination to exceed the best that Toronto could do, and the first few days brought some satisfaction from the point of friendly rivalry, as well as the supreme interest in the success of the loan from the national standpoint.

The campaign went off to an inspiring start by the promise of Lord Shaughnessy that the C.P.R. would subscribe $5,000,000, and double this if the objective of $150,000,000 was doubled. The President's promise was prefaced by the statement that the C. P. R. up to the present time had invested in loans and guarantees in one form and another to the Allied nations nearly $70,000.000 "and at this juncture there is a willingness to add to this amount though," he added naively, "we are beginning to feel a bit poor."

The Premier of Quebec Province, Sir Lomer Gouin, backed up this appeal, and promised that the Provincial Treasurer "is prepared to make his decent contribution to this Victory Loan."

By Tuesday night the total contributions had reached $16.000.000 including $5.000.000 from the Metropolitan Life Insurance Company of New York, which will be sent direct to the Finance Minister. By Wednesday night the total had risen to $32.000,000. By this time the success of the loan seemed assured as it was known that hundreds of companies were arranging to co-operate with their employees by allowing them to purchase the bonds in ten equal payments. As a rule the general rate of interest charged in such cases is the same as the bonds themselves bear, 5½ per cent. A little feeling was expressed against the banks by a few would-be contributors who asked them to carry the bonds for them after the first payment but they were informed that this privilege was extended only to small subscribers.

Several companies have announced that they will pay 10 per cent. of all that their employees subscribe for. Both the C.P.R. and Grand Trunk through Presidential messages, are urging their employees to invest on the 10-payment basis, and very large sums are expected. The Grand Trunk in the east alone has 35,000 employees whose pay roll exceeds $3,000,000 a month.

The largest Montreal subscription to date is the $5,000,000 of the C.P.R. The Dominion Steel Corporation is next with $3,000,000. Others of the larger amounts are:—

Canada Steamships, $1,000,000; Canada Foundries & Forgings, $200,000; Montreal L. H. & P. Co., $102,500; James Coristine & Co., $100,000; L. A. Wilson & Co., $100,000; Keystone Transportation Co., $100,000; Sulpician Seminary, $100,000.

Some of the individual subscriptions are: Sir Herbert Holt, $270,000; James Carruthers, $100,000; J. W. Norcross, $100,000; R. B. Angus, $100,000; Lord Shaughnessy, $100,000; Mark Workman, $100,000; J. N. Greenshields, K.C., $100,000; Lord Atholstan, $100,000; George Caverhill, $50,000; John C. Newman, $50,000.

Monday a Holiday.

Mayor Martin has proclaimed next Monday a Civic Holiday in honor of the campaign. A monster parade, including the "Tank," will be held and the leading financial men of the city have agreed to march in the parade, many of them in white. There will be hundreds of "floats," and altogether the biggest parade Montreal has ever seen.

INSTALMENT PAYMENTS.

How Payments May be Extended Over Period of 12 Months.

A useful table has been compiled by Arthur B. Wood, actuary of the Sun Life Assurance Company, in connection with the co-operative purchase of Victory Bonds by employers and their employees. Assuming that the employer makes the purchase for his employee and allows the latter to spread his payments over twelve months, the question arises, how much should the employer pay each month in order that the employer might not be out of pocket over the transaction.

The following schedules answer this question. First there is shown the amount the employer pays and second, the amounts which the employee should pay, in order to repay the advances made on his behalf, with interest at 5½ per cent. per annum. The employee, on paying $6.74 on November 1, is entitled to receive the bond and the interest coupon due on December 1, 1918.

PAYMENTS MADE BY EMPLOYER.
(With interest to 1st December, 1918)

Date of Payment	Amount	Int. to 1st Dec., 1918	Total
1st Dec., 1917..	$10.00	$ .55	$10.55
1st Jan., 1918..	10.00	.50	10.50
1st Feb., 1918..	20.00	.92	20.92
1st March, 1918	20.00	.83	20.83
1st April, 1918	20.00	.73	20.73
1st May, 1918.	20.00	.64	20.64
	$100.00	$4.17	$104.17
Less 1st coupon (1 June, 1918)	2.75	.08	2.83
	$97.25	$4.09	$101.34

EMPLOYEES' PAYMENTS.
(With interest to 1st December, 1918)

Date of Payment	Amount	Int. to 1st Dec., 1918	Total
1st Dec., 1917..	$8.33	$ .46	$8.79
1st Jan., 1918..	8.33	.42	8.75
1st Feb., 1918..	8.33	.38	8.71
1st March, 1918	8.33	.34	8.67
1st April, 1918	8.33	.31	8.64
1st May, 1918..	8.33	.27	8.60
1st June, 1918.	8.33	.23	8.56
1st July, 1918..	8.33	.19	8.52
1st Aug., 1918..	8.33	.15	8.48
1st Sept., 1918.	8.33	.11	8.44
1st Oct., 1918.	8.33	.08	8.41
1st Nov., 1918..	6.74	.03	6.77
	$98.37	$2.97	$101.34

ASSISTS EMPLOYEES.

How Imperial Oil Company is Helping to Finance Purchases.

The Imperial Oil Company's plan to assist its employees in the purchase of Victory bonds is as follows:—Employees may subscribe up to twenty per cent. of their annual salary, and pay for their bonds at the rate of five per cent. semi-monthly, or ten per cent. monthly, the amount being deducted from their pay envelopes, if they so desire. The company will credit the employees' accounts with the interest coupons as they are collected, and will charge the same rate on unpaid balances. As the Imperial Oil Company has some nine thousand employees scattered across the continent, and as the wage scale in the refineries is probably somewhere between four and five dollars a day, it will be seen that every employee is in a position to purchase at least a $50 bond, and on this low average the organization would account for a $500,000 subscription.

The Guarantee Company of North America has notified its head office staff that in lieu of the bonus heretofore paid them at the end of the year, it will pay for half of any amount, up to ten per cent. of their present salary, and finance the whole of any amount they subscribe to the Victory Bonds.

SMALL BUYERS ARE FAVORING 5-YEAR BONDS

While Large Investors Are Leaning Towards Longer Term Investments.

A NEW YORK SIDELIGHT

Dominion of Canada Fifteen-Year Bonds are Now Selling at a Better Figure Than Ten-year Bonds, Which Leads to Interesting Inference.

So far as the choice of maturities is concerned, in connection with the sale of Victory Bonds, one fact stands out prominently so far and that is that practically all the small subscriptions, those, say, from $50 to $200, are for five-year bonds. The larger subscriptions, by individuals, are pretty evenly divided between the ten and twenty year maturities, older people favoring the ten-year bond. The big subscriptions by the insurance companies, the large manufacturers and other institutional investors are varied, with the majority favoring the twenty-year bonds. The conversion privilege bonds of the former issues is being generally taken advantage of, with a result favorable to the government in extending the term of its obligations until 1937.

An Interesting Sidelight.

An interesting sidelight is shed on the problem of maturities by the recent action of Dominion of Canada bonds in the New York market. It will be recalled that three issues were floated in that market in the spring of 1916, these consisting of five, ten and fifteen year fives and that these have since been actively traded in. The issue prices were 99.56 for the five-year bonds; 97.13 for the ten-year bonds and 94.94 for the fifteen-year bonds.

On Monday last the five-year maturities sold at 94½ or a decline of approximately five points from the issue price; the ten-year maturities at 90⅝, or a decline of about 6½ points and the fifteen-year maturities at 91½ or a decline of 3½ points. The low points previously touched for the three issues were 93¼, 90½ and 91½.

The significant point about the present position of the three issues is that, whereas, on flotation, the order in point of price was first, the fives; second, the tens and third, the fifteens, the order has now become first, the fives; second the fifteens and third, the tens. In other words, the longest term bonds have changed places with the middle-term or ten-year bonds.

An Obvious Inference.

Can any inference be drawn from this movement? Undoubtedly it points to the fact that the market, as a composite body of bond buyers, thinks that a fifteen-year Dominion of Canada bond is preferable to a ten-year bond. The five-year bond still holds first place with a good margin, indicating that the market believes that a re-investment can be made at the end of five years for a further period of five or ten years, which will be more advantageous than a present investment in ten or fifteen-year bonds.

On the other hand, the fact that the ten-year bond is cheaper than the fifteen-year bond points to the conclusion that an investment to-day in a ten-year bond, with a revenue for five years, is not regarded as being as favorable as a straight investment in a fifteen-year bond. On this theory it would appear as if the market anticipated that the decline in interest rates would commence some time between five and ten years from now and that money would be increasingly cheap in the ten to fifteen-year period.

If this theory is applied to the present Victory Loan in Canada, it would apparently be most advantageous to invest in the five-year bonds, after which the choice would lie with the twenty-year bonds in preference to the ten-year variety. Of course all this is based on a market condition, which might be altered at any moment but it shows how the wind blows at present in the bond market.

Subsequent Trading.

With an immense issue like the present and with a very much larger number of subscribers interested in it, subsequent buying and selling of the bonds on the stock exchanges will doubtless be on a large scale. The fact that the country will be saturated with bonds points not unnaturally to the conclusion that for a while at least selling will be on a heavier scale than buying, with a resultant shading off in values. Ordinarily the five-year bonds might be expected to hold their price best, with the greatest weakness appearing in the longest-term bonds. However, in view of the position of the New York market as regards Canada's five, ten and fifteen-year bonds, the chances are that the ten-year bonds will undersell the twenty-year bonds.

It must not be assumed, however, that there will be any pronounced break in the price of the Victory bonds. The conversion privilege should guarantee a close adherence to the 100 mark. This has been true to a large extent of the bonds of the first three issues. The first loan bonds have always been convertible at 97½ and have never sold more than a point or so below that figure. The second and third loan bonds were unconvertible from the date of issue until the privilege was added this summer and during the weak spell of last spring they dropped to around 93. As soon, however, as convertibility was attached, they braced up appreciably.

VANCOUVER'S DEBTS.

Coast City Showing Improvement in Financial Position.

While in Vancouver recently, H. B. Mackenzie, general manager of the Bank of British North America, stated that he thought the city was in a much improved financial position to what it was when he was last there two years ago. While the city had been hard hit as a result of the depression, he thought that all financial obligations would be met. At the beginning of the year, the city had borrowed some $1,617,000 from his bank to be applied to the general business of the city. While this had all been paid back, a conference was being held with the city authorities looking toward a further loan of $400,000 which is needed now to finance civic work until the end of the year. While no definite announcement has been made in this connection it is probable the loan will be granted.

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FIELD OF MUNICIPAL FINANCE

SINKING FUND SURPLUS MUST NOT BE SPENT

Saskatoon Not Permitted to Divert it to Current Expenses.

BOND PURCHASES BARRED

Local Government Board Rules That Sinking Fund Moneys Must Not Be Invested in the City's Long Term Bonds.

Interesting decisions have recently been made by the Local Government Board of Saskatchewan in response to applications of the city of Saskatoon for permission to use sinking fund moneys in certain specified directions. The first application concerned surplus earnings of the fund, amounting to $13,691, which the city wished to use for current or other expenditure. The second dealt with the inevstment of sinking fund moneys to the amount of $37,000 in City of Saskatoon debentures.

The first application was definitely refused but a concession was allowed in the case of the second application. The secretary of the Board wrote as follows:—

"I beg to inform you that your application for investment of certain moneys standing to the credit of the sinking fund account of the city of Saskatoon in the purchase of debentures as follows:

By-law No. 616	$18,000
By-law No. 1015	7,700
By-law No. 1036	12,000
	$37,000

has been considered by the local government board and the board has decided to approve of the investment of a portion of the sinking fund moneys sufficient to purchase $7,700 of debentures under By-law No. 1015, at a price to yield the fund 6 per cent. net, the authorization being conditional upon the debentures being signed and sealed by the board, which has not as yet been done, and thereupon formal authorization will issue.

"With reference to the balance of the application, it is noted that the debentures are for a period of 30 years, and the board, after fully considering the amount of debentures now purchased by the sinking fund account in debentures of the city of Saskatoon and the nature thereof, decided that it was inadvisable to purchase further 30-year debentures out of the sinking fund for the present and accordingly this portion of the application was refused."

In commenting on this decision of the Board, Commissioner Yorath pointed out that of a gross debt of $8,290,118 the city has invested only $193,362, or 2.3 per cent. in its own debentures, and of this amount $16,600 was used in purchasing or redeeming the city's own stock on the London market when it could be obtained at a very low price. The city of Toronto has invested sinking fund moneys in its own debentures to the extent of $20,361,240, or 88.24 of the total of its sinking fund investments. If the local government board adheres to its decision the only alternatives for the city, said Mr. Yorath, are—

(a) To close down all capital expenditures, including, inter alia,

1. The completion of the force water main across the Saskatchewan river, which is absolutely essential to provide adequate fire protection for the south side. This work is proceeding in a very satisfactory manner, owing to the favorable conditions which exist and can be completed by the end of December.

2. Any new electric light and water connections which, of course, will prevent the further development of the electric light and power and waterworks utilities, and prevent the city from carrying any new consumers.

(b) Endeavoring to sell debentures on the open market at a considerable sacrifice.

The city has been making an effort to get the Local Government Board to modify its decisions.

At a meeting of the Union of Saskatchewan Municipalities held on November 8 in Regina, the following resolution was carried:—

"That the provincial government be requested to clarify that section of the City Act which will give to the local government board power to grant an application of a municipality to use, in part payment of interest on debentures or other current expenditure a part or the whole of any surplus in the sinking fund in any one year, provided that the board is satisfied that levies for the sinking fund are sufficiently secured."

WATER DISTRICT AGAIN.

Controversy Going on in Winnipeg as to Cost of Money.

Winnipeg's newspapers, the *Free Press* and the *Telegram*, appear to be having a controversy over the cost of the money secured by the Greater Winnipeg Water District. In a recent issue the *Free Press* is reported to have said, "It may be safely assumed that when the transaction is closed in the distant future it will be seen that the actual cost of the money was not in excess of 5 per cent."

To this the *Telegram* replies, "The 'distant future' would appear somewhat of a vague statement and in line with—'when the transaction is closed'—which latter time may be 40 years hence, but it infers that the district will be able to secure its required balance of 4,000,000 to 6,000,000, and ultimately the whole of its funds at a lower price than the Federal government with all Canada as its security and its insight into the financial future.

"The first issue of $1,285,112 worth of 40 year, 4½ per cent. debentures cost the district 4¾ per cent. The next $2,000,000, which was on a five-year basis and 5 per cent., was floated in two issues, costing 6 and 6.15 per cent., and the next $1,500,000 five-year, 5 per cent., cost 5¾ per cent. Coming to the most recent issue of all this, as was recently acknowledged by the district's auditors, cost 7.27 per cent. on the money received.

"Here is the Canadian government offering 10-year bonds at 5.60; 20-year bonds at 5.61, and for five years—before the expiry of which the district will have to convert at least $7,500,000 of its debentures—the government is willing to pay 5.81 per cent. It can be safely assumed that the federal government's financial experts compare more than favorably with the local seers—yet the man in the street, nay, even more than that, the man who is sufficiently interested to read the financial sheets, is expected to swallow the pill that the district will be able to do better than this.

"Whether the money already received could have been secured on better terms is neither here nor there; but to prophesy such possibilities for the 'distant future,' and 'when the transaction is closed,' is, to say the least, distinctly misleading."

Money By-laws

Those investors who wish to keep in touch with the municipal bond market will find this department useful. It aims to be accurate and convenient. THE FINANCIAL POST makes a specialty of municipal bond news. Municipalities will find it to their advantage to send in direct news of contemplated bond issues.

BY-LAWS PASSED.

Leamington.—$4,500 to pay for securing contracts for cultivation of 8,000 acres of sugar beets, carried by ratepayers, November 12.

BY-LAWS REGISTERED.

Collingwood.—$3,500 for local improvements; $13,00 for patriotic purposes and $9,000 under authority of the Collingwood debenture act. 1899.

BY-LAWS TO BE VOTED ON.

St. Johns, P.Q.—$40,000 to build a concrete sewer. Will be submitted to the ratepayers in December.

Nov. 26, Whitby, Ont.—$25,000 by way of loan to the United Rubber Manufacturing and Reclaiming Company, on ratification of an agreement between the company and the town, debentures at 6 per cent., to be repayable in twenty equal annual instalments.

Nov. 26, Parkhill, Ont.—$12,000 to provide for cost of plant to distribute electrical power to be supplied by the Hydro-Electric Power Commission of Ontario.

SASKATCHEWAN.

The following is a list of authorizations granted by the Local Government Board from October 29th to November 2nd:—

School Districts.—Moon Lake, $1,400; Paragon, $8,000.

Rural Telephone Companies.—Edelane, $400; Togo, $12,300; South Prince Albert, $14,300; River Park, $3,500; Long Creek, $3,200; Eastern Edam, $16,000.

Village.—Bromhead, $1,000.

The following is a list of debentures reported sold from October 29th to November 2nd:—

School Districts.—Prescott, $2,000, W. R. Trevethick, Naisberry; Liberator, $2,000, Goldman & Co., Regina; Windsor, $1,800, Goldman & Co., Regina.

Rural Telephone Companies.—Zealandia, $4,400, Goldman & Co., Regina; Greenan, $3,000, W. L. McKinnon & Co., Regina; South Rosetown, $14,000, Goldman & Co., Regina; Elmsdale, $2,000, J. P. Dempsey, Tisdale; North Forres, $53,500, S. L. Ross, Regina; Walpole, $500, Regina Public School Sinking Funds; Marcelin, $13,300, W. L. McKinnon & Co., Regina.

Rural Municipality.—Grassy Creek, $10,000, Great West Life Assurance Co., Winnipeg.

Towns.—Davidson, $2,500, Osler, Hammond & Nanton, Winnipeg; Broadview, $2,000, Mr. Bracegirdle, Broadview; Broadview, $2,700, Mr. Sills, Broadview.

BOND SALES.

$1,000 Penmans at 87; $1,000 Rio at 80; $1,000 Wayagamack at 80; $40,900 War Loan (1925) at 96½ to 95½; $87,700 War Loan (1931) at 95⅞ to 94; $96,300 War Loan (1937) at 94⅝ to 93⅝.

PROGRESS IS MADE BY CITY OF EDMONTON

Revenue for Nine Months Shows Nice Gain, While Expenses Are Less.

STREET RY. LOSES MONEY

While Waterworks, Light and Power and Telephone Departments are Gaining Ground, Street Railway is Unfortunate.

The gradual rehabilitation of the finances of the western cities is well illustrated in the case of Edmonton. The new controller of that city, David Mitchell, has recently presented to the mayor and council a comparative statement of revenues and expenditures of the central administration for the nine months ended September 30, 1916 and 1917. This statement contains gratifying information, for it shows progress in the right direction in both income and out-go.

Revenue for the nine months of the present year amounted to $528,493, which compares with $343,829 for the corresponding period of 1916. The gain is due principally to the much better showing in the matter of tax collections. The total for this year was $433,204, as against $229,067 in 1916, a gain of $204,137.

Expenditures on account of central administration were $457,398, which was $76,734 less than last year. Mr. Mitchell states that the various departmental expenditures are being fairly well maintained within their respective appropriations, with the exception of the streets department. Including interest and exchange and debenture interest and principal, the total expenditures for the nine months were $1,139,670, as against $1,156,134 in 1916.

Showing of Utilities.

With the exception of the street railway, the city's utilities all exhibit progress in the right direction. The electric light and power department has increased its surplus from $41,517 to $54,101, mainly through larger receipts; the telephone department has likewise enlarged its surplus from $10,885 to $16,862, while the waterworks has a surplus this year of $26,032, against $16,772 in 1916. The street railway, however, shows a deficit of $129,521, or nearly $47,000 more than the 1916 deficit. This unfortunate loss means for the utilities combined a net deficit of $32,524 for the nine months.

An examination of the street railway figures shows a very decided falling-off in receipts from cash fares and ticket sales, resulting in a decline in all receipts from $395,128 in 1916 to $357,829 in 1917. There was also a considerable increase in maintenance charges. Otherwise, charges compare favorably with last year.

In explanation of the unfortunate showing of the street railway department, Mr. Mitchell points out that the deficit was due to some extent to the effects of a recent strike together with a number of damage claims, which arose in the earlier part of the year.

As indicating the very considerable reductions that have been made in the city's staff of employees, the following figures will be illuminating:—

	Dec. 1914	Dec. 1915	Oct. 1917
General administration (inc. fire and police)	653	471	260
Public utilities	806	530	399
	1459	1001	659

OVERDRAFT UNNECESSARY.

Hamilton Expects to Complete the Year Without Borrowing.

Hamilton's finances are reported to be in such good shape that an overdraft may be unnecessary this year. About 85 per cent. of the year's taxes have been collected and, when the February instalment is included, the percentage will be over 90 per cent. The tax collections for 1917 up to November 1 amounted to $2,023,353.83, while the total collections for 1916 were only $1,870,215.35. Of the amount paid in $1,759,472.75 represents this year's taxes, the balance being arrears from former years, the rolls of 1912 and 1913 now being ready for closing. The total collectable taxes for 1917 is $1,974,853.85, and as the debenture rate, amounting to $121,151, is not payable until February, it looks as though not more than $100,000 of this year's taxes would have to be carried over for collection in future years.

WEEKLY RECORD OF GOVERNMENT AND MUNICIPAL BOND SALES

Date	Place and Purpose	Purchaser	Rate	Term	Amount	Price	Basis
Nov. 2	Saskatchewan Schools (see above)	Various	....	....	$5,800	....	....
" 2	Saskatchewan Phones (see above)	Various	....	....	90,700	....	....
" 2	Grassy Creek R.M., Sask.	Great-West Life	....	....	10,000	....	....
" 2	Davidson, Sask.	Osler, Hammond & Nanton	....	....	2,500	....	....
" 2	Broadview, Sask.	Local purchasers	....	....	4,700	....	....

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MONTREAL'S HUGE EXEMPTIONS

Has Larger Percentage of Exempt Property Than Any Other City.

A table has been compiled by Controller Villeneuve of Montreal comparing the exemptions of that city with exemptions in other North American cities. The percentages of total assessed values of real estate are as follows:

	City Property	Misc. Property	Total Exemp.
New York	16.001%	4.567%	20.658%
Philadelphia	6.739%	6.877%	13.616%
St. Louis	6.698%	4.197%	10.895%
Cleveland	7.576%	3,787%	11.363%
Detroit	8.046%	3.798%	11.844%
Toronto	3.180%	9.535%	12.715%
Buffalo	6.177%	8,251%	14.428%
Montreal	6.855%	18.272%	25.127%
Pittsburg	6.169%	11.570%	17,739%

The exemptions are made up of the following items:

Dominion Government	$13,417,190
Provincial Government	4,917,500
Harbor Commissioners	24,153,250
Corporation of Montreal	56,405,200
Streets	1,478,351
Churches, etc.	23,196,894
Schools	41,827,786
Religious institutions	20,527,445
General	5,654,350
By agreement	15,157,960
	$206,735,926

The city council of Weyburn, Sask., has decided to invest $30,000 in Victory bonds.

The corporation of Hamilton will invest $250,000 in Victory bonds.

The Huron & Erie Loan and Savings Company announces that its subscription to the Victory Loan will be $2,000,000.

Moose Jaw has decided an interesting scheme to apprise citizens of the progress of the campaign. A street car is to be placed on a stretch of track which is not used for regular traffic and is to be moved forward as the subscriptions roll in and are recorded. At the end of the track is to be placed an effigy of the kaiser, and when the total amount which the city sets out to secure has been achieved the street car will have reached its objective and demolished the embodiment of frightfulness in token that the citizens have done their share in ridding the world of Kaiserism.

LIVING UNDER THE SHADOW OF WAR

In these dark and uncertain days, only the very best judgment should be employed in selecting investments. Sobered by the lessons of the war, sensible men and women have relinquished schemes to get rich quick by means of speculative securities and they now prefer safe investments yielding moderate interest to questionable ones with high rates. Beneficiaries under insurance policies are often perplexed as to how to invest their monies safely and profitably but the continuous monthly income policy, payable in monthly instalments throughout life, and for twenty years certain, solves the problem completely. It constitutes an automatic safe investment and is issued by

THE MUTUAL LIFE ASSURANCE COMPANY OF CANADA
WATERLOO, ONTARIO
E. P. Clement, K.C., President
Geo. Wegenast, Managing Director

British Colonial Fire Insurance Co.
2 Place d'Armes, Montreal
AGENTS WANTED IN UNREPRESENTED DISTRICTS

THE
CANADA NATIONAL FIRE
INSURANCE COMPANY
HEAD OFFICE: WINNIPEG, MAN.
SURPLUS TO POLICYHOLDERS, $1,820,752 82
A Canadian Company Investing its Funds in Canada
APPLICATION FOR AGENCIES INVITED.

NEW RECORDS

Results secured during the past year reaffirm the position of the Sun Life of Canada as the largest life assurance organization of the Dominion.

Fair dealing and progressive business methods have given it leadership in annual New Business, Total Business in Force, Assets, Surplus Earnings, Net Surplus, Total Income, Premium Income and Payments to Policyholders.

Sun Life of Canada Policies are safe and profitable Policies to buy.

SUN LIFE ASSURANCE
COMPANY OF CANADA
HEAD OFFICE—MONTREAL

THE
Independent Order of Foresters

Furnishes A Complete System of Insurance

Policies issued by the Society are for the protection of your Family and cannot be bought, sold or pledged.

Benefits are payable to the Beneficiary in case of death, or to the member in case of his total disability, or to the member on attaining seventy years of age.

Policies issued from $500 to $5,000. For further information and literature, apply to

Total Benefits Paid 53 Million Dollars

FRED J. DARCH, Secretary
W. H. HUNTER, President
S. H. PIPE, F.A.S., A.I.A., Actuary
HEAD OFFICE - - TORONTO

Escaped from Germany

AN escaped prisoner tells the story of his fearful experiences in Germany in MACLEAN'S MAGAZINE for November; and gives a vivid picture of conditions in Germany as he saw them. He got out by way of Holland after appalling perils and hardships. In Holland, he was photographed, but so altered was he that his wife quite failed to recognize him in this photograph. Read this story of this Canadian soldier's escape. It is gripping stuff—a rare tale.

Canadian Finances After the War

Will business in Canada collapse when peace comes? It may. What do the big men say? What do they know? What do you think? Are your opinions well informed? The subject is of the greatest possible importance, and you will get light and leading by reading the contribution of Col. John Bayne Maclean, who has taken the trouble to get the opinion of the biggest and most highly placed men in Canada to help him prepare his article.

Back From the Arctic

William Thompson, representing the American Geographical Society, was this year in the Arctic Regions. He went to the delta of the Mackenzie River and took many excellent pictures of the country and its Eskimo inhabitants. He makes the November MACLEAN'S the vehicle of many of his pictures and for an account of his journey. Read what this Arctic scientist has to tell us about a remote part of our land.

Slackers and Conscription

What is your attitude towards the draft? You have positive opinions, of course. How do they square with Miss Laut's as they are expressed in her ringing article on Slackers in the November MACLEAN'S.

The Nation's Business

This is a new feature—a fearless, well-informed survey of national affairs. What we all want is an outspoken—but not vindictive—and clear-visioned presentation of factors and facts affecting our national, political and economic welfare.

Sketches of Trench Life
By Gunner McRitchie

McRitchie was a cartoonist on a Western Canada daily before he went overseas. He has done a number of sketches of trench life "On the Spot," and these he has sent home, for publication in MACLEAN'S MAGAZINE. They're interesting and good.

The Late Sir Mortimer Clark

Before he died, a few weeks ago, the late Sir Mortimer Clark, eminent jurist and an ex-Lieutenant-Governor of Ontario, wrote for MACLEAN'S an article on "Safeguarding Your Heirs." It has to do with the functions, service and safety of Trust Companies as executors of estates. This article by a man so distinguished, so cautious, so able, and so wise a counsellor, can be of first-rate value to every man perplexed with the problem of how his estate can be safely and prudently administered after he, the testator, has passed from this life.

A Complete Novelette
By Peter B. Kyne

His story in the November MACLEAN'S is a thunderingly good story of lumbermen, and lumbering. Red blood is in this tale of business. R. M. Brinkerhoff illustrates it.

Short Story
By Ethel Watts Mumford

The writer of this short story—the first of a delightful series by this author to appear in MACLEAN'S—is very well known among short story writers. Delicate fancy, wholesomeness, freshness and finished workmanship characterize all her work.

Short Story
By W. A. Fraser

A mightily well-written story of India—the kind that we all delight in; tense, bewildering, and lots of action. Fraser never wrote a better short story than this. Ben Ward illustrates it.

Hendryx and Oppenheim
Serialists

"The Gun Brand," by Hendryx, comes to an end in the November issue. Oppenheim's greatest story, "The Pawns Count," is continued. Oppenheim's story is the biggest single feature ever secured by MACLEAN'S.

MACLEANS MAGAZINE *for November*
At All News Dealers, 15c.

INVESTORS' INSURANCE NOTES

SUN LIFE CO. TAKES OVER B.C. COMPANY

Pays $100,000 Cash to Shareholders and Receives About $2,700,000 Insurance.

SHAREHOLDERS LOSE $168,000

Paid in as Premium on Stock for Development Purposes — Over 530 Shareholders — Advantage to B.C. Policy Holders.

History has once more repeated itself in the case of the Sun Life Assurance Company this week when the British Columbia Life Insurance Company was absorbed, a cash payment made to the shareholders, and the policies taken over. Other companies that have been absorbed by the Sun Life have been the Federal, Prudential, Home, Royal Victoria and Citizens.

Under the agreement, as explained officially to THE FINANCIAL POST, the Sun Life pays to the shareholders $100,000, the actual amount that they had paid in on their capital stock and assumes the policies about 1,200 in number, carrying insurance of about $2,700,000. The shareholders lose, however, the sum of $168,000 that they had paid in as premium on the stock. The main advantage in the agreement would seem to rest with the policyholders of the British Columbia Life, who now are taken in as full fledged Sun Life policy holders. Their own company in a single year had decreased from a total of 1,593 policies to 1,208, and from insurance carried of $3,503,677 to $2,623,241.

The British Columbia Life Insurance Company was incorporated in 1909, and its Dominion license was issued in April, 1911. The capital authorized and subscribed was $1,000,000, of which $100,000 was paid in cash. In addition to this amount there was advanced by the shareholders as premium on their capital stock, $168,189. This is commonly done in the case of young insurance companies, and provides capital for the early expenses of getting new business, without showing as a liability or impairing the capital. When a company gets "on its feet" this advance is usually paid back in the form of stock bonuses until the whole sum is met. That time never arrived in the case of the B. C. company. The President of the company was L. W. Shatford, M.P.P., lately created a Senator; the Vice-President, T. E. Ladner; and the secretary, W. F. Curell. The sum of $100,000 was paid in by over 550 shareholders, nearly all of them in British Columbia, and the majority in Vancouver, the headquarters of the company. Among the larger holders of stock were the following, the amount given being the sum that had been paid in cash, the subscription being in each case ten times that amount:

	Cash Paid
J. J. Banfield, Vancouver	$1,800
W. C. Brown, Vancouver	1,460
W. D. Brydone-Jack, Vancouver	1,000
W. T. Corry, Vancouver	1,000
Emma B. Davis, Vanconver	1,200
S. S. Davis, Vancouver	1,430
J. N. Ellis, Vancouver	4,220
V. Kimpton, Windermere, B.C.	1,000
L. A. Lewis, New Westminster	2,150
J. Rogers, Vancouver	1,300
T. W. Sterling, Kelowna	1,500
Geo. E. Tennant, Vancouver	6,280
G. Ward, Ashcroft	1,150
G. W. Stratford	500
In trust	360

The report to the Government for the year ending Dec. 31, 1916, showed assets of $286,282, and liabilities of $197,731. The apparent excess of assets was $88,580, but this did not provide for the capital stock that had been paid up of $100,000.

The chief items in the assets and liabilities are as follows for the past year:

Assets.	
Real estate held	$ 4,732
Loans on real estate held by bond or mortgage, etc.	124,040
Loans to policy holders on policies	15,216
Loans to policy holders under non-forfeiture plan	13,955
Bonds and debentures owned by company at book value	82,483
Cash	16,856
Total ledger assets	$257,284
Deduct market value of debentures under book value	10,643
	$246,641
Other assets, interest due and accrued	13,539
Net uncollected and deferred premiums	22,151
Office furniture and fixtures	3,950
Total assets	$286,282
Liabilities.	
Present value policies, premium reductions, etc.	$193,699
Deduct value policies re-insured	5,606
Net re-insurance reserve	$188,093
Deduct allowance period by insurance act	10,621
Net re-insurance reserve after deductions	$177,472
Surrender values claimable on on policies cancelled	3,976
Due on account of office and other expenses	624
Premiums paid in advance	360
Taxes due and accrued	1,452
Due for re-insurance premiums	3,845
Investment reserve	10,000
Total liabilities	$197,731
Excess of assets	88,580
Capital stock paid in cash	$100,000
Income For 1916.	
Net inc. from 1st year prems.	$ 13,136
Net income renewals	75,282
Total	$ 88,419
Cash received for interest on investments	10,483
Total income	$ 99,902
Expenditure.	
Cash paid for death claims	$ 14,352
Cash paid for surrender policies	16,460
Cash prem. on dis. claims	243
Total amount paid to policy holders	$ 31,056
Commissions on 1st year bus.	$ 11,444
Commissions on renewals	914
Agents' salaries	23,915
Other expenses	
Total expenditure	$ 76,273
Net ledger assets, Dec. 31, 1915	$234,595
Net ledger assets, Dec. 31, 1916	257,284
Total policies end of 1915	1,593
Amount of insurance	$3,503,677
New policies issued in 1916	261
Amount	$502,663
Total	1,883
Amount	$4,060,458
Less ceased, policy holders	675
Less ceased, amount	$1,437,217
Net balance, Dec. 31, 1916, pol.	1,208
Net balance, Dec. 31, 1916, amount	$2,623,241

GREAT-WEST LIFE.

Business for First Nine Months of the Year One-third Greater.

The new high records that are being established in the case of a number of life assurance companies in Canada this year apply to the Great-West Life. Official figures supplied to THE FINANCIAL POST show that for the first nine months of the year, up to Sept. 30, that the total insurance applied for amounted to $27,000,000, as compared with $20,000,000 for the corresponding period of last year. This indicates an advance of over 33 per cent. The figures for the Quebec branch for the first nine months were $5,362,000, as compared with $5,000,000 for a similar period in 1916. The total figures for the Province for last year exceeded $7,000,000.

The decision of the company not to accept any business from young men who were in the age limit that was covered by the first two classes of the Militia Act, up to 34 years, probably will adversely affect the business of the company in comparison with last year for the balance of 1917. This could hardly be otherwise. But this company has been affected by enlistments more probably than any other in Canada, proportionately, with the preponderance of its insurance in the West, as compared with other companies. Enlistment applied not only to a large number of policyholders, but the bulk of the head office staff is overseas. The management were guided in their decision not only by the heavy casualty lists among their clients but by the general unprecedented conditions that made it impossible to estimate mortuary rates among those who enlisted.

OVER THE MILLION.

North American Life Maintains Its Objective for October.

At the first of the year the North American Life Assurance Co. set itself the task of issuing over a million dollars of new business a month. Up to the end of the month of October the average has been maintained. The total amounts to $10,115,249, October contributing $1,009,850. Applications for October numbered 678, the second largest number for any one month of the year and 26 per cent. more than for the same month of last year.

SETTLERS FOR WEST.

Big Increase in Cash Brought into Prairie Country.

During the last three years up to October 31, 1917, there has been an increase in the cash brought into Western Canada by settlers of 100 per cent. according to J. Bruce Walker, immigration commissioner.

For the ten months ending Oct. 31, 1917, 33,144 persons entered Western Canada from the United States and brought with them in cash $493,290, and effects valued at $488,898. For the same period in 1916 there were 15,960 persons entering Western Canada and for the same period in 1915, 9,191 persons came in.

For the week ending Nov. 6, 1917, 543 persons registered bringing with them $81,215 in cash, and effects valued at $53,325. For the same period last year 395 persons entered bringing with them $8,016 in cash and effects valued at $7,813.

Homestead entries for the week ending November 6 were 209. Forty-five British applied for homesteads. 84 Canadians, 50 Americans and 15 Russians.

APPLICATION OF WAR CLAUSE OVERLOOKED

Some Agents Fail to Tell Prospective Policyholders it May be Applied.

NATIONAL INSURANCE PLAN

Companies Are Generous With Payments on Policies on Which Extra Premiums Have Not Been Paid.

Warnings have been sent to some insurance agents throughout the country against omitting to inform young men who are taking out insurance about the extra payment that they must make if they are drafted into the reinforcements that will be sent under the Militia Act. This runs from $100 to $150 per $1,000 for a year's premium.

A provincial manager stated to THE FINANCIAL POST that he had found that in some of the smaller country or town districts his agents, in their "zeal" to secure their portion of the first year's premium, neglected to point out to the insured that he must pay more if he enlisted. It was true that the clauses were contained in the policy, but he was of the opinion that most people did not read over policies, any more than other similar documents, depending on the agents with whom they were doing business to keep them informed on parts that were vital to them. He was afraid that in the case of a number, they had taken out insurance and would be surprised to learn of the "war" risk, and often would not be prepared to pay the extra amount that was required.

No National Insurance.

Among insurance men there is a feeling that the Dominion Government will not take into consideration the plan that is being worked out in the United States of a national insurance of the men who go to the front. The great difficulty in their opinion is not so much the operation of the plan, by which a form of annuity would be paid in lieu of a bulk sum of insurance, but the fact that nothing of this was done for the men enlisted voluntarily.

As one manager said to THE FINANCIAL POST: "It would seem to be treating the men who are going under Conscription more favorably than the ones that went voluntarily. Of course the new scheme could be made retroactive, but it might not be considered good policy to bring it into operation at this time. The increases in the present scale of pay and a revision of the pension list would seem the more probable."

A Concession Allowed.

While the war clause now being inserted in life policies stipulates that, should a policyholder fail to pay the extra premium which would entitle his beneficiary to the face value of the policy in the event of death while on active service, only the reserve would be paid, it is the practice of some companies to do better than this, viz., by returning the premiums paid with five per cent. interest added. This concession is obviously not made a part of the war clause because it is an arrangement which may or may not be maintained.

The Excelsior Life's subscription to the Victory Loan is $200,000.

E. W. Pratt has been appointed manager of the Toronto agency of the North American Life Assurance Company. Mr. Pratt joined the company in 1915 as a representative in Toronto. A few months later he was made assistant city manager, which position he has held continuously since then.

The General Accident Assurance Co., of Canada, head office, Continental Life Bldg., Toronto, has appointed Thos. H. Hall to the position of vice-president and general manager. Mr. Hall is well known as the Canadian manager of the General Accident, Fire and Life Assurance Corporation, Ltd., which position he still occupies. Mr. Hall has appointed as his assistant manager in the Canadian company, Hedley C. Wright, who has obtained a wide casualty experience with the British and Canadian head offices of the London Guarantee and Accident Co., Ltd. Mr. Hall is president of the Canadian Fire Underwriters' Association and a director of the Standard Financial Agency.

The Mutual Life Assurance Company of Canada has announced its subscription of $3,000,000 to the new war loan.

CANADIAN ORDER OF CHOSEN FRIENDS
HEAD OFFICE HAMILTON, CANADA

The Order furnishes life insurance to members in accordance with the Standard of the Government of Ontario. Sick and funeral benefits are also given if desired.

No charters are granted to Local Councils outside of Canada. Being confined to this healthful Northern Zone, the death rate is small and rates proportionately low. The Order has already paid over five million dollars in death and disability claims, and over five hundred thousand dollars in sick and funeral benefits.

Over 600 Councils in Canada. If there is not one in your locality there should be. For full information write to any of the following officers:

Dr. J. W. Edwards, M.P., Grand Councillor.
W. F. Montague, Grand Recorder.
W. F. Campbell, Grand Organizer.
J. H. Bell, M.D., Grand Medical Ex.
HAMILTON - ONTARIO

BUY
Canadian Victory
WAR LOAN
BONDS
(This space is donated by the Western Assurance Co., Toronto.)

Chief Office for Canada, TORONTO
LONDON & LANCASHIRE FIRE INSURANCE COMPANY
ALFRED WRIGHT, MANAGER

BUY
Canadian Victory
WAR LOAN
BONDS
(This space is donated by the British America Assurance Co., Toronto.)

"Keep the Home Fire Burning"
by placing a Monthly Income Policy in
The Dominion Life
Assurance Company
It guarantees your wages after death.
Head Office, - Waterloo, Ont.

A Good Investment

In the year 1897, just a matter of twenty years ago, a young man, then aged 37, took out a policy with The Great-West Life for $5,000 on the Twenty Payment Life Plan.

He paid a premium of $177.35 per annum. This year the policy matures and the policyholder received the guaranteed value of $2,815, and profits $2,250 making a total cash value of $5,065. He paid in premiums during twenty years $3,547 and received back $5,065 making a clear profit return of $1,518 or 3¼% compound interest plus $5,000 of life insurance for twenty years free of cost.

Enquire into the policies that give such remarkable results.

The Great-West Life
Assurance Company
Dept. "G."
Head Office - Winnipeg

ESTABLISHED 1849
BRADSTREET'S
Offices Throughout the Civilized World.
We Present a Record—Not a Prospectus.
Reputation gained by years of vigorous, conscientious and successful work.
Thomas C. Irving
General Manager Western Canada
TORONTO

REAL ESTATE AND MORTGAGES

OCTOBER PERMITS SHOW BIG FALLING OFF

Over Million and a Quarter Dollars Less Than in October of 1916.

PORT ARTHUR LOST HEAVILY

For the Ten Month Period the Aggregate is Now Nearly a Million Dollars Less Than Last Year.

Tolerably complete returns, covering the issue of building permits by Canadian cities for the month of October, show a continuation of the decline noticed in September. Twenty-five eastern and thirteen western cities, reporting as under, were over a million and a quarter dollars under the record for October, 1916. The heaviest loss occurred in Port Arthur, where last year's permits ran to $857,858, while this year's figure was a paltry $830. This meant that over half the loss was attributable to this one city.

However, apart altogether from the abnormal drop in Port Arthur, there were some serious slumps in other cities which would have produced a general decline in any case. Montreal was behind by $125,891, and Quebec by $79,308. Ottawa dropped $171,625, and St. John, $77,000. In the West, Calgary went back $170,500 and Vancouver, $160,110. There were some few gains, notably Toronto with $290,077, but there were not enough of them to counteract the declines. Nor were the losses peculiar to any one section of the country. Eastern cities dropped over a million and Western cities over a quarter of a million.

October's unfortunate drop has had its effect on the ten months' total and makes it apparent that building this year will be on a smaller scale than last year. Already the 38 cities listed below are behind $846,657. Eastern cities maintain a slender lead of $416,411, but Western cities are off $1,263,068.

The worst slump in building for the year to date has been in Vancouver, where the value of permits issued has fallen off by $1,368,944. Ottawa, with a decline of $412,983, and Westmount, which was behind $366,000, are other cities making a poor showing. Twenty-three of the thirty-eight cities in the list show losses for the ten months.

Maisonneuve was the best performer, its permits being $994,210 ahead of last year. Toronto comes second with a gain of $870,282. Other cities making a good showing are Hamilton, which shows an increase of $438,794; Saskatoon, which is ahead by $390,165, and Sydney, which has a gain of $261,395 to its credit.

When it is considered that the cost of labor and materials is much greater this year than last, the actual amount of building being done, in comparison with last year, is not represented exactly by the comparative figures. The difference in the value of permits for ten months, of $846,657, does not indicate the real extent of the falling off in building.

SHIPBUILDING IN TORONTO.

New Company Secures Lease of Land From Harbor Commission.

Another big industry has been secured for Toronto's harbor by the Harbor Commission. The Dominion Shipbuilding Company, Limited, is to commence work almost immediately on a factory, to be situated on a site comprising 15 2/10 acres, within the new bulkhead in the harbor between Spadina avenue and Queen's Wharf. The Harbor Board ratified the agreement yesterday afternoon.

The location of this factory in Toronto harbor will assist in the rapid industrial growth which is predicted for Toronto after the war. The Dominion Shipbuilding Company has taken a lease on the property, and the terms are said to be exceedingly favorable to the Harbor Board. It will be located on land that has dockage and riparian rights. Following the policy adopted by the Harbor Board and the City Council, this land can only be leased. Shipbuilding will be carried on on a large scale.

EDMONTON REALTY.

Rents are Advancing and Demand for Houses Improves.

During the first couple of years of the war, rents in Edmonton dropped so low that there was no inducement to buy, but for the last twelve or eighteen months there has been a noticeable advance in rents and in a number of cases this has brought about sales. Prices seem to be very low. In most cases houses are selling for the amount that was put into the house and the lot is thrown in. As a matter of investment it would seem to be a desirable time to buy. Realty agents report that there are a number of people who are keeping in touch with the situation and at the first sign of better times intend to buy. However, by that time it is possible that the owners may not be willing to sell at the lower price. A $36,000 deal was put through recently when the Albany apartments changed hands, some houses being taken in part payment.

It is stated that there is no buying for speculation and as yet there is no demand for vacant property.

Rentals are steadily advancing. The winter of 1915 saw the greatest decrease in the rents and this would seem to have been mostly due to a stampeding of the renters. There was no organization among the owners or the real estate agents and more on this account than from any surplus of houses was the price forced down. Last winter the price readjusted to the extent of about five or ten per cent. and this winter it has advanced again about ten to twenty per cent., making an increase since the first slump of about thirty per cent. on an average.

There are at the present time very few vacancies in close-in modern houses.

BUILDING PERMITS MONTH OF OCTOBER

Eastern Cities.

	Oct., 1917	Oct., 1916	Change.	10 months 1917.	10 months 1916.	Change.
MARITIMES—						
Halifax	$ 55,835	$ 87,368	— $ 31,533	$ 795,944	$ 1,075,024	— $ 279,080
St. John	6,100	83,100	— 77,000	521,250	447,350	+ 73,900
Sydney	46,068	5,900	+ 40,168	359,600	98,205	+ 261,395
QUEBEC—						
Montreal	227,033	352,924	— $ 125,891	$ 4,079,698	$ 4,139,034	— $ 60,236
Maisonneuve	86,500	1,325	+ 85,175	1,113,000	118,790	+ 994,210
Lachine	18,135	25,950	— 7,815	250,033	330,027	— 79,994
Outremont	12,485	30,500	— 18,015	56,485	305,838	— 249,353
Quebec	77,375	156,683	— 79,308	1,955,001	2,039,213	— 84,212
Westmount	5,125	42,492	— 37,367	136,490	502,490	— 366,000
ONTARIO—						
Brantford	21,965	11,240	+ $ 10,725	$ 111,945	$ 266,997	— $ 155,052
Chatham	43,950	17,600	+ 26,350	350,272	275,199	+ 75,073
Galt	8,415	4,350	+ 4,065	105,425	215,095	— 109,670
Hamilton	197,495	194,865	+ 2,630	2,553,355	2,114,561	+ 438,794
Kingston	18,132	13,517	+ 4,615	136,851	171,398	— 34,547
London	143,460	110,145	+ 33,315	718,290	842,570	— 124,280
North Bay	10	5,400	— 5,390	2,472	15,670	— 13,198
Ottawa	93,625	265,250	— 171,625	925,717	1,338,700	— 412,983
Port Arthur	830	857,858	— 857,028	1,436,502	1,555,369	— 118,867
St. Catharines	38,520	46,315	— 7,795	458,105	525,100	— 66,995
St. Thomas	3,140	18,455	— 15,315	76,720	129,276	— 52,556
Stratford	4,529	5,829	— 1,300	209,488	184,019	+ 25,469
Toronto	786,225	496,148	+ 290,077	6,375,079	5,504,797	+ 870,282
Welland	21,004	16,927	+ 4,077	226,184	176,125	+ 50,059
Windsor	93,450	162,300	— 68,850	1,080,585	1,250,880	— 170,295
Woodstock	7,852	6,055	+ 1,797	90,535	85,988	+ 4,547
Total 25 E. cities	$2,017,258	$3,018,496	— $1,001,238	$24,125,026	$23,708,615	+ $ 416,411

Western Cities.

	Oct., 1917	Oct., 1916	Change.	10 months 1917.	10 months 1916.	Change.
MANITOBA—						
Winnipeg	$ 72,300	$ 89,700	— $ 17,400	$ 2,156,250	$ 2,285,000	— $ 128,750
ALBERTA—						
Calgary	$ 132,000	$ 302,500	— $ 170,500	$ 510,400	$ 614,900	— $ 104,500
Edmonton	80,500	3,250	+ 77,250	304,200	176,740	+ 127,460
Lethbridge	12,650	9,240	+ 3,410	80,698	77,220	+ 3,478
Medicine Hat	9,650	3,000	+ 6,650	92,990	371,190	— 278,200
B. COLUMBIA—						
Kamloops	200	1,800	— $ 1,600	$ 9,325	$ 7,500	+ $ 1,825
N. Westminster	4,600	4,950	— 350	75,365	78,882	— 3,517
Vancouver	233,975	394,085	— 160,110	656,885	2,025,829	— 1,368,944
Victoria	10,150	6,015	+ 4,135	89,855	89,315	+ 540
SASKATCHEWAN—						
Moose Jaw	$ 4,650	$ 12,825	— $ 8,175	$ 260,710	$ 312,770	— $ 52,060
Prince Albert	4,050	30,000	— 25,950	37,300	66,285	— 28,985
Regina	42,800	15,400	+ 27,400	396,170	217,750	+ 178,420
Saskatoon	37,475	23,000	+ 14,475	515,905	125,740	+ 390,165
Total 13 W. cities	$ 645,000	$ 895,765	— $ 250,765	$ 5,186,053	$ 6,449,121	— $1,263,068
Gr. ttl. 38 cities	$2,662,258	$3,914,261	— $1,252,003	$29,311,079	$30,157,736	— $ 846,657

SCHOOL LANDS IN THE WEST SELLING WELL

Near Nokomis, One Parcel Brought Seventy-six an Acre.

ACTIVITY NEAR EDMONTON

Sales in the Neighborhood of the Alberta Capital are Fifty Per Cent. Ahead of This Time Last Year.

Recently a number of sales of school lands have taken place at various points in Saskatchewan, says *Western Canada Week by Week*. School lands, it may be explained, consist of parcels of land which have been reserved in nearly every township in Manitoba, Saskatchewan and Alberta, and originally comprised approximately one-eighteenth of the entire area of the three provinces. They are administered by the Dominion Government in trust, with the object of establishing a fund for educational purposes, and are disposed of by sale from time to time at public auction, subject to a certain upset price.

At the sales just held in Saskatchewan some remarkably high prices for wild land in Western Canada were obtained. For instance, at Nokomis, Saskatchewan, where the first of the series of sales took place, one parcel of 160 acres was sold for $76 an acre. Other parcels were knocked down at $70, $67, $50 and $45 per acre. The total proceeds of this sale amounted to $770,000. At the sale at Young, Saskatchewan, the total proceeds amounted to $515,768 from 154 parcels sold. The highest price secured here was $54 an acre for 160 acres near Viscount, Saskatchewan. At Morse, Saskatchewan, 156 parcels were disposed of for $350,000, $45 being the highest price per acre paid, while at Brownlee, Saskatchewan, 227 parcels sold realized $838,000, the highest price per acre recorded being $50.

Not Only School Lands.

Land buying has not been confined to school lands, however, nor have these been the only lands to sell at prices above the average. Profitable crops, together with the desire of farmers to do their bit by producing as much as possible, have created great activity in the land business generally, and several pieces of farm land have changed hands recently at what, for Western Canada, are high prices. As, in a number of cases, these lands had hitherto been lying idle and they are now being bought for farming purposes, their sale will result in greater production. Among some of the private sales recorded are 640 acres near Regina, Saskatchewan, at $90 an acre; 160 acres near Saskatoon, Saskatchewan, at $60 an acre; 800 acres near Radisson, Saskatchewan, for $32,000; and 10,000 acres near Lethbridge, Alberta, for $250,000.

Farm lands in the Edmonton district are selling fully fifty per cent. better than at this time last year, according to reports received by the Edmonton *Bulletin*. The average price of well improved farms within easy reach of the city is from twenty-five to thirty-five dollars an acre and the remarkable feature about the sales is the amount of cash payments that are being made. Recently one local firm sold a thousand acres to an English firm for thirty-seven and one-half dollars an acre and the sale was all cash. Most of the sales are at least half cash.

All Kinds Being Sold.

All kinds of farms are being sold, even the cheap ones at about ten dollars an acre are finding ready purchasers, but more than twice as many farms at thirty-five dollars are being sold as the cheaper ones. Agents find that, whereas, last year there were plenty of inquiries for farms it was difficult to close the sales on account of war conditions and people were diffident about actually putting in the money. This year that feeling has all passed and the sales are being readily put through.

Many of the buyers are Americans with good farming experience, but there are also a number of men who have been tenants during the past few years and who, with the good prices and the good crops, have made enough to buy land of their own. It is considered that the land in this district is a good bargain at the prices for which it is being sold at the present time. Prices remain about the same as last year.

It is the opinion of local agents also, that the system of government loans is stimulating sales. All those who are buying farms at the present time are bona fide farmers. There are no sales for a purely speculative purpose. The guarantee for the price of wheat and the splendid outlook as to the continued high price of stock are great inducements.

SIR M. CLARK'S ESTATE

Former Lieutenant-Governor of Ontario Had Many Mortgages.

The late Sir William Mortimer Clark, who died on 10th August, 1917, at Prouts Neck, Maine, by his will, dated 10th July, 1914, disposed of an estate valued at $129,097.67, consisting of: Moneys secured by mortgage, $61,013.41; bank and other stocks, $38,669.50; bonds and debentures, $16,682.92; cash in bank and other assets, $7,903.84; cash in hand, $4,828; total, $129,097.67. He had in his lifetime disposed of in favor of his daughters, Miss Jean M. Clark and Miss Elsie G. Clark, of 28 Avenue road, $76,442.23. Under his will his daughters take a life interest, the corpus going to their children. In event of there being no children, the corpus is to go as provided by the will of the surviving daughter, and in the event of her dying intestate, the same is to be divided equally between Knox College and the Toronto Hospital for Incurables. The Toronto General Trusts Corporation is named as executor.

TO KEEP DOWN DEBTS

Cities Might Buy Properties Prior to Making Improvements.

In referring to Finance Commissioner Bradshaw's oft-repeated warning against increased capital expenditures by Toronto, the *Globe* offers the suggestion that one way of keeping down the debt without checking the improvement of the city has not been fully utilized.

"Many of the public works undertaken by the city have incidentally added materially to the value of adjoining land. The method in vogue for years of recovering this increased value for the public benefit has been notoriously ineffective for the purpose. In the case of large operations, such as the widening of streets and the construction of the Bloor and Danforth viaducts, large amounts might have been secured as offsets to the increase of debt by purchasing the property benefited and reselling it at its increased value. In the case of the widening of St. Clair avenue and of Danforth road, where there were few buildings in the way of carrying out a purchase scheme, the addition to the original right of way might have been procured free of cost, and much, if not all, of the expense of the viaducts might have been reimbursed to the city by purchasing a sufficiently large tract of land beyond the Don, and laying out a diagonal road through it to the junction of the Don branches. In the carrying out of future works of this class this method of keeping down the city debt should be kept steadily in view."

These remarks, anent public works in Toronto, are equally applicable to other municipalities and might be kept in mind by municipal officers to advantage.

SELLS HARBOR LAND.

Toronto Harbor Commission Receives Power to Dispose of 139 Acres.

It has at last been agreed that the Toronto Harbor Commission may sell 139 acres of improved land in the industrial district. A short time ago permission to do so was refused, in the case of the Imperial Oil Co. The agreement provides that no part of the land can be sold without a proper valuation placed on the property by two expert real estate valuators and the Assessment Commissioner. In case of this agreement the highest valuation is to be the price demanded by the purchasers. None of the land to which the principle of sale applies has direct dock facilities or riparian rights.

Finance Commissioner Bradshaw recommended that the money from sales should be kept in trust to protect the bondholders. Chairman Lionel Clarke of the Harbor Commission protested at this, as he said the money was needed for improvements. However, he suggested that the Commission buy its own bonds, which Mr. Bradshaw agreed could be done.

The city will now proceed to sell four acres of land to the Imperial Oil Company at $15,000 an acre. The company will also be given a lease of 300 feet of dockage for 21 years at $1,500 a year.

SHORT ON FUNDS

Nova Scotia Loan Companies Refuse Applications for Mortgage Money.

Some of the loan companies of Halifax, indeed, it may be said, all of them, are in the position of having to refuse applications for advances on real estate mortgages. They cannot sell their debentures because of the war financing, and consequently have no funds for loans in the ordinary way. The debentures have been sold on short terms at 5½ per cent. and the rate for money on mortgage is ordinarily 7½ per cent. With the sale of debentures to the public at a minimum, the loan companies find themselves in the position of requiring to be ready for maturing debentures, the effecting of new investments on mortgage becoming a matter of secondary consideration. Our loan companies in Nova Scotia are in a very strong position and quite well able to stand a temporary shortage of available new funds. It makes business a little dull when companies have to decline applications for money at 7½ per cent.

Building permits issued in Chatham during October totalled $43.950, an increase of $26,350 over October, 1916.

At the tax sale for the county of Simcoe held at Barrie on November 2, a record number of lots were put up for sale. Of the 3.545 lots listed about 3,500 belonged to Port McNicoll. Plan No. 612, comprising 559 lots, was withdrawn and 50 lots were redeemed before the sale. Of the rest only 90 were sold, half of these being in Port McNicoll. This year's tax list was more than double last year's.

PERMITS ON THE JUMP

Toronto Will Be Ahead in Building for Ten Months of the Year.

The permits issued by the Toronto City Architect during the first ten months of the year represented a value in building of $6.375,079, as compared with $5,504,797 for the corresponding ten months of 1916. This is an increase of $870,282, and is regarded by the City Architect as very satisfactory, in view of the nature of the times.

The permits issued last month numbered 513, and involved 613 erections, and represented a value of $786,225, while those issued in October, last year, numbered 436, involved 518 erections and represented a value of $496,148.

WATER POWERS

May be Utilized for the Making of Nitrates from the Air

Canada must, to a great extent, look to the electro-chemical and metallurgical industries for the beneficial utilization of its water-power resources. Particularly is this the case with our abundant northern water-powers, where many attractive sites afford natural facilities for low development costs and cheap production of power. While at present these sites are remote from settlement and transportation is sometimes difficult, their utilization appears feasible in some of the processes now being used for making nitric acid and nitrates from atmospheric nitrogen.

In this connection, some of the principal features of the various methods at present in use are of interest. Nitric acid from the atmosphere can be produced with the aid of electricity in two different ways. One of these, the indirect method, is the only one so far employed in Canada, where works of considerable size have been in operation for some years. This method combines a number of separate operations, carried out in separate plants or factories. These operations comprise the making of calcium carbide from coke and lime, and a combination of the carbide with nitrogen gas to form calcium cyanamide. The latter may be used directly as a fertilizer, but for explosives or other industries using nitric acid the acid is obtained by a third operation involving a treatment with superheated steam and air.

In the direct method air is blown through a long electric flame, forming nitric oxide gas which, on cooking, takes up more oxygen and becomes nitrogen peroxide. When the latter is brought in contact with water it gives nitric acid. The process is a simple one, requiring only a single factory and a simple plant, and, as the raw materials consist merely of air and water, such works can be established in the most remote location, cheap electricity being the great essential.

It will be thus seen that for the indirect method raw materials and transportation facilities are important questions, while, as just stated, the only raw materials required in the direct method are air, water and cheap electric energy. It would, therefore, appear that much should be expected from this direct method in the utilization of our northern water powers.

Nor need this industry be confined to large organizations and the utilization of new water-power sites. Mr. E. K. Scott, after whom a nitrogen furnace of the direct type is named, suggests the erection of plants of as low as 1.300 h.p. size as adjuncts to central stations.

SHIPYARD ENLARGED.

Three Vessels Can Be Built At Once By Montague Mahaffy.

McLean Brothers shipyard at Mahone Bay, Nova Scotia, has been leased to Montague Mahaffy and the yard is now being extended so that three ships can be built at once.

A new mill has been erected, and heavier machinery and air compressors for driving pneumatic tools have been added.

The class of vessels to be built is the fast sailing West Indian, freighter type—the ships will have three masts, will be schooner rigged and have gasoline engines for hoisting the anchors, sails and cargo. The first vessel is well under construction and the keel is now being laid for a larger ship.

Announcement

We have started our new Plate Mill, and are Manufacturing Plate from ¼ in. to ¾ in. thick, 24 in. wide, any weight up to 500 pounds.

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SEALED TENDERS addressed to the undersigned, and endorsed "Tender for temporary pile breakwater at Port Arthur, Ont.," will be received at this office until 4 p.m., on Monday, November 26, 1917, for the construction of a temporary pile protection breakwater at Port Arthur, District of Thunder Bay and Rainy River, Ontario.

Plans and forms of contract can be seen and specification and forms of tender obtained at this Department and at the offices of the District Engineers, Equity Building, Toronto, Ont.; Sault Ste. Marie, Ont., and Port Arthur, Ont.

Persons tendering are notified that tenders will not be considered unless made on the printed forms supplied, and signed with their actual signatures, stating their occupation and places of residence. In the case of firms, the actual signature, the nature of the occupation, and the place of residence of each member of the firm must be given.

Each tender must be accompanied by an accepted cheque on a chartered bank, payable to the order of the Honourable the Minister of Public Works, equal to ten per cent. (10%) of the amount of the tender, which will be forfeited if the person tendering decline to enter into a contract when called upon to do so, or fail to complete the work contracted for. If the tender be not accepted the cheque will be returned.

The Department does not bind itself to accept the lowest or any tender.

NOTE.—Blue prints can be obtained at the Department of Public Works by depositing an accepted bank cheque for the sum of $20, made payable to the order of the Honourable the Minister of Public Works, which will be returned if the intending bidder submit a regular bid.

By order,
R. C. DESROCHERS,
Secretary.
Department of Public Works,
Ottawa, November 3, 1917.

Newspapers will not be paid for this advertisement if they insert it without authority from the Department.

BOOK PAPER PROBE QUITE INTRICATE

There is Only One Kind of Newsprint but Many Varieties of Book Paper.

CONCERNS PULP MAKERS

Newsprint Manufacturers Are Disposed To Welcome the Appointment of R. A. Pringle, K.C., as Controller of Paper.

Special to The Financial Post

MONTREAL.—The makers of book paper look for an intricate and extended inquiry into costs, distribution and other vital points in connection with the government investigation. The newsprint probe was a comparatively simple affair compared with that of book paper, for in the main there is newsprint, divided into one and only one class, but the varieties of book papers are almost infinite. It may be that the Commissioner will be compelled to conduct a separate inquiry into many classes, as the figures for one will not apply to the others.

This new investigation covers two main fields of manufacture, the paper and the pulp. In the case of the newsprint mills, practically all produced a large portion of the pulp they used, while only one of the book mills is in this position, the Toronto Paper Co. Thus the pulp mills, makers of sulphite and ground wood, will be called on to defend the charges they have been making to the paper mills.

Book Paper on Small Scale.

The manufacture of book papers in Canada is on a small scale compared with that of newsprint. Figures for the past four months show that the output has averaged only some 90 tons a day, as compared with a daily output of 2,100 tons of newsprint. Of the latter, 90 per cent. is exported.

All sorts of rumors are flying around as to what price the Government will fix for newsprint. The rate of 2½ cents that has been in force since March 1 last has been continued until Nov. 20, and the newsprint mills expect that this will be the last delay to which they will be subjected. It is estimated that since the maximum price was fixed by the Minister of Finance the paper mills have lost $600,000 through the price being ⅞ cent a lb. below the regular market price that naturally would have prevailed.

Welcome Appointment.

The newsprint men are disposed to welcome the announcement that the Controller R. A. Pringle is now in Washington explaining the system of costs as worked out for the newsprint Commission in Canada, to the Federal Trade Commission. Speaking of this to THE FINANCIAL POST a newsprint man stated that the basis of the Federal Commission had been proved inaccurate and unfair to the mills, and if they adopted the Canadian plan the result would be more favorable when they came to fix a price.

The fixing of prices in Canada is looked for shortly after Mr. Pringle's return.

In their latest Monthly Review, Greenshields & Co. devote over a page to a consideration of the paper situation in Canada. Their remarks will be found reassuring by holders of pulp and paper securities.

"In the light of similar action with respect to other commodities, the appointment of a "Controller of Newsprint and Bookprint" would suggest an acute shortage in Canada of the commodities named. What are the facts?

"Of the total output of newsprint in Canada to-day only 10 per cent. is required for the home market. The Department of Trade and Commerce reports that, in the twelve months ending March 31st, last, Canadian shipments of newsprint to the United States were of a value of approximately $21,000,000 of wood pulp and like products of a value of approximately $29,000,000. The value of newsprint consumed annually in Canada is placed by trade authorities at only $3,000,000.

"As a result of years of effort during which investors received a meagre return on their capital, if any at all, the pulp and paper industry has been built up to a point where its production, in excess of home requirements, brings in approximately $50,000,000 annually from the United States alone. It is entitled to rank as Canada's most important export manufacturing industry. Presumably, at this of all times, it might expect to meet every encouragement towards further expansion. Why then the appointment of a controller, with its immediate suggestion of restriction, and in the case of restriction in these times, its suggestion of a national emergency?

"We have the official admission of the gentleman in charge of the recent inquiry into the costs of newsprint manufacture that "the paper manufacturers have been making a present of $500,000 to the Canadian newspaper publishers." So much for the results of the Canadian newspaper publishers. So much for the results of the haphazard attempt to fix newsprint prices a year ago. We deprecated it at the time as vicious in principle, an unwarranted interference with the operation of the law of supply and demand. The unfairness which it worked to the manufacturers is evident in the opinion quoted from the commissioner who carried out the subsequent inquiry into mill costs.

"So far from the attempt to fix prices being abandoned, we have now the naming of a controller, with power to fix prices and to regulate supplies with a view to the requirements not only of Canada but the United States. For the sake of $500,000 which was saved to Canadian publishers by getting their supplies below market cost, a situation has been forced which endangers the free and profitable development of an export trade to the United States worth $50,000,000 a year to Canada. Whatever action is taken with respect to a price for newsprint in Canada will form the basis of a price to be fixed in the United States. An industry which might reasonably be expected to go out into the world's markets with the full encouragement of the nation is asked to start off under the handicap of restrictive measures at home.

"It is well to bear in mind that the agitation of Canadian publishers which brought about this situation was not based on any shortage of supplies. The 10 per cent. requirements of the home market were relatively small and the mills were prepared to fill them, irrespective of more profitable opportunities that might offer elsewhere.

"If the price was to be higher than before the war, all other commodities have advanced in price, too. The publishers had the usual recourse in such circumstances—to advance the cost of what they sell, their subscription rates and their advertising rates. Some of them have done so. It has not been suggested that a Controller of Publishers be appointed; yet the public interest in whether the cost of a newspaper is to be doubled is vastly larger than the public interest in whether a publisher is to make a profit satisfactory to himself. If the raw material, newsprint, is to be controlled, why not the finished article, the newspaper? The fixing of a price for wheat had its logical corrollary in a limiting of the profits on flour.

"In the final analysis, no argument can be adduced to show why newsprint manufacturers should be asked to subsidize the publishers, not only at the expense of his profit in the domestic market, but at the expense of his opportunity for profit in foreign fields. A government subsidy of $500,000 to the publishers would be absurd enough in its way but at least it would leave the paper industry with an opportunity to add a few million dollars to Canada's export trade, and with confidence to go about its legitimate business in its own way.

"Most of our readers are interested in securities of pulp and paper companies. We would suggest to them that there is no reason for uneasiness on their part as to the outcome of the unusual situation that has been developing in this industry. Our mills are the most efficient of their kind in the world. They have unexcelled advantages in raw materials—cheap wood and cheap power. They can now operate profitably at the worst of times under conditions which might bankrupt most industries in Canada. Further, while the law of supply and demand may be tampered with from time to time, it is too powerful not to reassert itself in the long run. As we see it, our pulp and paper companies have a long period of prosperity before them. Holders of their securities at present prices are in receipt of a good income, and will ultimately reap a large reward if they maintain their faith in the industry's future."

NEW CANNING CONCERN ON PACIFIC COAST

Demand of Allies for Salmon Has a Direct Effect on the Industry.

Special to The Financial Post

VANCOUVER.—With head offices in Victoria the incorporation of the Sooke Harbor Fishing and Canning Company with a capitalization of $50,000 has been announced, the names of the directors being H. E. Sims, president; Peter Graignic, vice-president, and C. C. Goodrich, secretary and treasurer. These are the officers who control the Hillside Canning Company of Port Townsend in Washington. The new company will operate the traps of the B. C. Canning Co. near Otter Point, up the coast. The Sidney Canning Company is also controlled by the American interests. Mr. Goodrich who has been carrying on the negotiations ending in the new organization, states that after he has had an opportunity of thoroughly investigating the situation on the B. C. Coast, a cannery would probably be constructed in the vicinity of Victoria. This action would be taken on account of the vast quantities of salmon which are being shipped to the Allies.

In this connection, it is interesting to note that the close season for salmon started on November 10 and will continue until December 31 in each year which information has been made public through an order-in-council passed a month ago by the provincial authorities, the wording of which is as follows:

"No one shall fish for any kind of salmon from November 10 to December 31 in each year, both days inclusive, and during this close time no salmon nets of any kind may be placed in the water; provided that the chief inspector of fisheries may prohibit fishing for coho, pink or chum salmon at an earlier date in any water area should be find that any one or more of these varieties of salmon in such area have so far advanced towards spawning as not to be in a satisfactory condition for food."

The United States War Trade Board, in announcing additional ruling on exportation of tinplate, limits its export to food containers and military needs of Allies.

China has protested to Japan against the understanding arrived at between the latter country and the United States in regard to China.

PUBLIC UTILITY COMPANIES ARE FACING A CRISIS

Strong Convictions of Former Manager of Winnipeg Electric.

THE JITNEY PROBLEM

William Phillips Explains Certain Features of the Trying Situation Being Faced by Western Company.

WINNIPEG.—Street railway companies in North America will go into bankruptcy unless measures are promptly taken to protect the capital that is invested in these undertakings, is the opinion of Wilford Phillips, Winnipeg. Mr. Phillips was formerly general manager of the Winnipeg Street Railway Company, and is now on the board of directors. He is emphatic in his statement that there is nothing but financial ruin ahead of the companies if the different civic authorities do not take quick action to remove the jitneys from the streets.

"The condition of affairs has become so intolerable," Mr. Phillips declared, "that it is only with the greatest difficulty the companies are able to maintain their services. And the peculiar part of the whole thing is that the public can not see it in the proper light. In Winnipeg the percentage of earnings paid monthly to the city has been decreasing month after month until it is now down by about 35 per cent. That state of things can not go on indefinitely," said Mr. Phillips.

Death-Knell of Jitney.

"Leading people of Winnipeg, that is the big men of the city, including the Board of Trade, the Real Estate Exchange and other organizations, have taken up the question in earnest and representations have been made to the City Council that the jitneys must either leave the streets on which there are car lines or be put out of business altogether. The matter has been shelved by the council until after the elections, which take place next month, and a good deal depends on the result of those elections. If there is a labor majority—and they are within only three of getting that—then the probability is that no action will be taken; but if on the other hand a business council is elected, it may be taken for granted that the jitney will be doomed."

All over the United States the street car fares have been increased from 5 to 6 cents, Mr. Phillips remarked, while in Canada they have as a general rule remained at the old figures. But the time is coming, he added, if the jitney was permitted to remain to the danger of vested interests, when the companies would be compelled to raise their fares in Canada. It was all a question, he said, of whether vested interests and the interests of the people were to be thrown into the discard in preference to the jitney, which was paying a nominal license fee and tearing up the streets which necessitated the expenditure of a large amount to keep them in good order.

May Increase Bond.

"In Winnipeg there will likely be taken into consideration the matter of raising the amount of the bond which all jitney drivers are obliged to give, from $1,000 to $10,000, and this, it is believed, will have the desired effect if nothing else will have. But the point that I wish to emphasize," said Mr. Phillips, "is that the public does not seem to realize the real condition of affairs. Every cent spent on jitneys is so much out of the pockets of the ratepayers, and that is the only viewpoint from which they should look at the question."

WOOLWORTH'S SALES.

An Increase of Over 20 Per Cent. in Month of October.

Sales of the F. W. Woolworth Co. for October were $9,610,526 as compared with $7,979,676 for the same month of last year, an increase of $1,630,850 or 20.43%.

For the first ten months of the year sales were $74,413,677 as compared with $65,777,677 for the same period of 1916, an increase of $8,636,000 or 13.13%.

Should sales in November and December maintain the same per cent. of increase as was shown in October, the full year of 1917 would show sales of approximately $100,000,000, the largest in the history of the company, an increase of about $13,000,000 over sales in 1916.

The Dovercourt Land Company, having appealed against an assessment of about $1,500,000 on their North Toronto properties, received a reduction of about $150,000, which means a saving in taxes of $3,325.

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Greater efficiency—greater production—greater economy—doing without the unnecessary things, produces wealth. Wealth gives protection to yourself and family, strengthens your country and helps to win the War. Are you doing all you can?
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THE HOME BANK OF CANADA
Notice of Quarterly Dividend
Notice is hereby given that a Dividend at the rate of five per cent. (5%) per annum upon the paid-up Capital Stock of this Bank, has been declared for the three months ending the 30th of November, 1917, and that the same will be payable at the Head Office and Branches on and after Saturday, the 1st day of December, 1917. The Transfer Books will be closed from the 16th day of November to the 30th day of November, 1917, both days inclusive.
By order of the Board,
J. COOPER MASON,
Acting General Manager.
Toronto, October 24th, 1917.

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THE passenger to the Pacific Coast is today offered a choice of routes that renders it unnecessary to re-trace his steps and opens up a wealth of new scenery and outdoor sport.
Do not fail to visit Jasper and Mount Robson Parks with their wonderful mountains, gorges, glaciers and cataracts.
Here the protection given to game has increased the quantity and reduced the fear of man. Mountain sheep and goat, the most wary of animals are seen feeding on the hills, and coming down to the railroad in view of passing trains.
For further particulars see our booklet "The Canadian Northern Rockies," or apply to the General Passenger Department, Montreal, Que.; Toronto, Ont.; Winnipeg, Man.
CANADIAN NORTHERN RAILWAY

MR. McADOO DOES NOT WANT BONDS TO CROSS BORDER

Puts His Foot Down on Any Promotion of Victory Loan in United States.

NO DISCRIMINATION SHOWN

If Canada Really Needs Assistance, This Will be Forthcoming Either in Shape of Direct Loan or Some Other Way.

Special to The Financial Post

NEW YORK.—There will be no public promotion of the Victory Loan in Wall Street, nor elsewhere in the United States. It is known here that Secretary McAdoo put his foot down on the idea—put it down good and hard. Washington wants no foreign loans while the United States must be concerned primarily with its own war time financing; its own money requirements must come first, and only.

A portion of Canada's new war bonds, however, are certain to drift over the border. While there will be no promiscuous stumping for the new Victory Loan here there will be private, quiet buying. A number of Canadians resident in the United States have taken a deep interest in all of the Dominion's war issues and these will doubtless come forward along with a few Americans who are specially desirous of evidencing their warm friendship for the Dominion. It is not to be expected that the aggregate of these outside applications will reach the figures attained on the occasions of preceding domestic loans.

Canadian Issues Active.

There is ample evidence of the continued interest in the New York market in the other Canadian Government issues. "Large distributors of securities report a continuation of the absorption of Canadian Government notes by Dominion investors," the New York *Sun* remarked the other morning. The *Annalist* this week states that $15,000,000 or 13 per cent. of the October trading in bonds in this market was done in British, French and Canadian issues.

In the past three weeks $2,121,000 of Canadian Government fives have changed hands on the New York curb, trading being divided as follows; week ending October 29, $1,015,000, week ending November 5, $885,000 and week ending November 12, $221,000.

The Curb appears to offer the most important market for Canadian bond issues, at this time. The 1921, the 1926 and the 1931 loans are listed on New York Stock Exchange but the volume of trading is light as the following table compiled for THE FINANCIAL POST will show:—

Week Ending	No. Sold	1921		No. Sold	1926		No. Sold	1931	
		High	Low		High	Low		High	Low
Sept. 1....	5	96	95¼	21	95⅛	95	19	95¼	94¾
Sept. 8....	2	95	95¼	20	95¼	95	2	95¾	95¾
Sept. 15....	15	95	94¾	21	95½	95	33	95½	95⅛
Sept. 22....	38	95⅛	95	6	95	95	29	95⅝	95⅛
Sept. 29....	11	95½	94⅞	1	94⅞	94⅞	37	95⅛	94½
Oct. 6....	6	95½	95⅛	1	94⅜	94⅜	16	94⅞	94⅝
Oct. 13....	20	95⅝	95	20	95	94⅞	63	95⅛	94⅞
Oct. 20....	11	95¾	95⅞	8	95	94¼	22	94⅞	94⅜
Oct. 27....	24	95	93 3-16	..	..	..	108	94¼	93
Nov. 3....	7	93¾	93¼	14	92	91	39	94	92½
Nov. 10....	4	94⅜	94⅜	7	90 1.2	..	32	92¼	..
	133			119			400		

It is thus seen that in eleven weeks a total of $75,200 of Canadian bonds were traded in on the New York Stock Exchange.

Speaking of the weakness in the Dominion of Canada two-year 6s (the notes which were placed by a New York syndicate during August), the *Annalist* says, "A number of good sized blocks came into the market through trading into French cities, on the theory that the loss in these bonds was temporary and that they were more apt to have an upward reaction than the Canadians."

Not Unfairly Treated.

It must not be thought in Canada at this time that the Dominion has been singled out for unfair treatment by reason of Washington refusing to permit a concerted public drive for the Victory Loan. The policy banning foreign bond issues in the United States was enunciated by Secretary McAdoo some months ago. If necessary, it is patent, that Uncle Sam will help his neighbor in other ways. In this connection the *Journal of Commerce* this week stated: "The impression is that when the Washington authorities made the representations that led to the change of policy on Canada's part (the decision not to canvas for the Victory Loan, here) assurances were given to the effect that both the American and British Governments would keep a watchful and friendly eye on the Canadian financial situation; and that, if conditions appeared to warrant, assistance would be promptly rendered either in the form of direct loans to the Dominion by the United States Government or in some other way. It is obviously in the interest of the United States and of the other Allies that Canada's productive capacity shall not be impaired by reason of financial difficulties."

Municipal Bond Situation.

Here and there comments appear down here regarding the municipal bond situation. The Hearst papers used Montreal's financial position as an excuse to cast slurs generally. But then it must be remembered that the Hearst interests have a good sized grudge to work off because the chain of newspapers from the Hearst presses is barred from the Dominion. The eleventh hour assistance which was rendered to the city of Maisonneuve, Que., last week undeniably put Canadian municipals in a better light. The New York *Annalist* insists that comments on Montreal and Maisonneuve cities in the press had "gone to greater lengths than the situation warrants."

Further, says that *Annalist*: "Canada has a kit full of troubles in refinancing coming maturities. Calgary is asking for bids on tax certificates bearing interest up to 10 per cent. The Montreal matter is practically arranged, leaving the field clear for Saskatchewan which must take care of $2,000,000 in February, 1918, with equal requirements for Alberta and British Columbia."

Dealing with Montreal the *Annalist* finds it "inconceivable that a way should not be found to meet the maturing obligations of the largest city of the Dominion."

CONSCRIPTION MAY BRING MORATORIUM

Movement in Quebec on Behalf of Draftees to Assure Retaining Houses.

Early in the war when a moratorium was established in Ontario and provinces in Western Canada, it was refused by the Government of Quebec. The enforcement of Conscription has revived the movement in the Eastern Province as a means of making it possible for many young men who are paying for their homes, and have to meet principal payments on a mortgage, to go away to the front with no anxiety about a foreclosure. It is stated that representations will be made to the Provincial Government when the Legislature next meets, in favor of such legislation to become effective in the case of those who will be enrolled.

It is in anticipation of such a move that some real estate men whose firms are fairly heavy holders of mortgages, are prophesying conditions that will not be as favorable for them as they have been. Others again declare that they would not fight such a law, and indeed have put it into force themselves in many cases since the opening of the war. One of these, John Findlay of Montreal, told THE FINANCIAL POST that a provision was open to every man who was in good standing with his mortgage payments at the time, that he should not be asked for any payments on principal until six months after the war was over, and in many cases no interest charge had to be met for the same period, but would become cumulative.

The coming into effect of Conscription undoubtedly is having an adverse effect on the building of new houses in Montreal, according to real estate men, but this only aggravates to a small degree the results of general conditions, the heavy cost of raw material and the difficulty of securing money on land or buildings.

Meantime conditions in the housing line are becoming acute, especially for medium priced dwellings. One real estate agent advertised a house for $22.50 in an afternoon paper that is on the street at three o'clock. By 5 o'clock he had had several applications and 30 looked up his house phone and got in touch with him that night. Conditions in this respect he described as the worst in the thirteen years that he had been in business.

OFFICIAL PROSPECTUS

The Proceeds of this Loan will be used for War purposes only, and will be spent wholly in Canada

The MINISTER OF FINANCE offers for Public Subscription

Canada's Victory Loan

issue of

$150,000,000. 5½% Gold Bonds

Bearing interest from December 1st, 1917, and offered in three maturities, the choice of which is optional with the subscriber, as follows:

5 year Bonds due December 1st, 1922
10 year Bonds due December 1st, 1927
20 year Bonds due December 1st, 1937

This Loan is authorized under Act of the Parliament of Canada, and both principal and interest are a charge upon the Consolidated Revenue Fund.

The amount of this issue is $150,000,000, exclusive of the amount (if any) paid for by the surrender of bonds of previous issues. The Minister of Finance, however, reserves the right to allot the whole or any part of the amount subscribed in excess of $150,000,000.

Principal and Interest payable in Gold
Denominations; $50, $100, $500 and $1,000

Subscriptions must be in sums of $50 or multiples thereof.

Principal payable without charge at the Office of the Minister of Finance and Receiver General at Ottawa, or at the Office of the Assistant Receiver General at Halifax, St. John, Charlottetown, Montreal, Toronto, Winnipeg, Regina, Calgary and Victoria.

Interest payable, without charge, half-yearly, June 1st and December 1st, at any branch in Canada of any Chartered Bank.

Bearer or Registered Bonds

Bonds may be registered as to principal or as to principal and interest.

Scrip certificates, non-negotiable, or payable to bearer, in accordance with the choice of the applicant for registered or bearer bonds, will be issued after allotment in exchange for provisional receipts. When these scrip certificates have been paid in full, and payment endorsed thereon by the bank receiving the money, they may be exchanged for bonds, when prepared, with coupons attached, payable to bearer, or registered as to principal, or for fully registered bonds when prepared, without coupons, in accordance with the application.

Delivery of interim certificates and of definitive bonds will be made through the Chartered Banks.

Bearer bonds with coupons will be issued in denominations of $50., $100., $500., and $1,000. and may be registered as to principal only. Fully registered bonds, the interest on which is paid direct to the owner by Government cheque, will be issued in denominations of $1,000, $5,000 or any authorized multiple of $5,000.

Subject to the payment of 25 cents for each new bond issued, holders of fully registered bonds without coupons, will have the right to convert into bonds of the denomination of $1,000 with coupons, and holders of bonds with coupons will have the right to convert into fully registered bonds of authorized denominations without coupons, at any time, on application to the Minister of Finance.

Surrender of Bonds

Holders of Dominion of Canada Debenture Stock, due October 1st, 1919, and of bonds of the three preceding Dominion of Canada War Loan Issues, have the privilege of surrendering their bonds in part payment for subscriptions to bonds of this issue, under the following conditions:—

Debenture Stock, due October 1st, 1919, at Par and Accrued Interest.
War Loan Bonds, due December 1st, 1925, at 97½ and Accrued Interest.
(The above will be accepted in part payment for bonds of any of the three maturities of this Issue.)
War Loan Bonds, due October 1st, 1931, at 97½ and Accrued Interest.
War Loan Bonds, due March 1st, 1937, at 96 and Accrued Interest.
(These will be accepted in part payment for bonds of the 1937 maturity ONLY of this Issue.)

Bonds of the various maturities of this issue will, in the event of future issues of like maturity, or longer, made by the Government, other than issues made abroad, be accepted at par and accrued interest, as the equivalent of cash for the purpose of subscription to such issues.

Issue Price Par

Free from taxes—including any income tax—imposed in pursuance of legislation enacted by the Parliament of Canada.

Payment to be made as follows:

10% on December 1st, 1917
10% on January 2nd, 1918
20% on February 1st, 1918
20% on March 1st, 1918
20% on April 1st, 1918
20% on May 1st, 1918
A full half year's interest will be paid on 1st June, 1918

The Bonds therefore give a net interest yield to the investor of about:

5.61% on the 20 year Bonds
5.68% on the 10 year Bonds
5.81% on the 5 year Bonds

All payments are to be made to a Chartered Bank for the credit of the Minister of Finance. Failure to pay any instalment when due will render previous payments liable to forfeiture, and the allotment to cancellation. Subscriptions accompanied by a deposit of 10% of the amount subscribed, must be forwarded through the medium of a Chartered Bank. Any branch in Canada of any Chartered Bank will forward subscriptions and issue provisional receipts.

In case of partial allotments the surplus deposit will be applied toward payment of the amount due on the January instalment.

Subscriptions may be paid in full on January 2nd, 1918, or on any instalment due date thereafter under discount at the rate of 5½% per annum. Under this provision payments of the balance of subscriptions may be made as follows:

If paid on January 2nd, 1918, at the rate of 89.10795 per $100.
If paid on February 1st, 1918, at the rate of 79.46959 per $100.
If paid on March 1st, 1918, at the rate of 59.72274 per $100.
If paid on April 1st, 1918, at the rate of 39.90959 per $100.

Forms of application may be obtained from any branch in Canada of any Chartered Bank, or from any Victory Loan Committee, or member thereof.

The books of the Loan will be kept at the Department of Finance, Ottawa.

Application will be made in due course for the listing of this issue on the Montreal and Toronto Stock Exchanges.

Subscription Lists will close on or before December 1st, 1917.

DEPARTMENT OF FINANCE,
OTTAWA, November 12th, 1917.

Lend to your Country - All Canada is your Security

"The man, be he rich or poor, is little to be envied, who at this supreme moment fails to bring forward his savings for the security of his country."

77

CONSERVING FUEL.

Electrification of St. Paul Railway Saves Much Coal.

In one year of electric operation on the Rocky Mountain Division alone of the Chicago, Milwaukee & St. Paul Ry., enough coal has been conserved to send a United States torpedo boat destroyer on 2368 trips about the British Isles in the search for German submarines. Forty-five such destroyers. on the coal conserved on this division alone could be kept steaming in a constant procession, week in and week out, for the entire year on the complete circuit about England, Ireland and Scotland, protecting shipping against the ravages of the U-boats.

The annual saving on this division is sufficient to send 90 ocean liners of 13,000 tons displacement from the United States to France, bearing troops and supplies for our armies.

Yet this conserving of fuel is only one-half of that already being effected on the electrified divisions, and one-third of what will be accomplished when the Cascade mountain zone is added to the electrified mileage next year.

What this aspect of electrification means namely conservation of the nation's fuel resources, became known today, when figures were given out by an official of the St. Paul showing the fuel that would have been burned in the hauling by steam of trains now operated by electricity. On the Rocky Mountain division alone over 200,000 tons of coal would have been required this year to haul the traffic now moving over the Continental Divide by electricity. On the Missoula division adjoining to the westwards, electrically operated now, but formerly burning fuel oil, the requirements this year would have been 425,000 barrels of oil. The third saving, to come when electrification now under way is completed in the Cascades, will add 375,000 barrels of fuel oil to the annual conservation.

How important is the saving effected by the St. Paul is apparent from the fact that the entire reduction of train mileage has resulted in the saving of 1,120,000 tons of coal per year. The permanent saving by electrification on the St. Paul's Rocky Mountain Division, disregarding the saving of oil on the Missoula division, is thus 18 per cent. or nearly one-fifth of the total saving of coal effected by all the railroads of the United States through elimination of train mileage. The saving on this one division is larger than that effected by all New England roads by reduction of train service: nearly one-third that effected by all Eastern roads and nearly one-half that effected by all roads of the central territory.

MIDWEST REFINING.

Dividend on Increased Stock Earned in Two Months.

Midwest Refining is earning in two months more than ite entire yearly dividend on its recently increased stock. Net earnings are in excess of $1,000,000 a month, whereas dividend payments for the full year on its $25,000,000 stock call for $2,000,000.

In the current year Midwest Refining Co. is expected to earn well over $12,000,000 net, which earnings are being made on a daily refinery capacity of about 30.000 barrels. By the end of 1917 Midwest Refining plants should have a refinery capacity of 50,000 barrels a day, and as a result earnings in 1918 seem certain to be much in excess in 1917 earnings.

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Are you one of the hundreds of business men in Canada who are working at high pressure and bearing extra cares because of war conditions? If so, should you not protect your family or your business by additional Life Insurance.

The war risks are not all overseas. Every few days the sudden passing away of some prominent business man gives evidence of the tension and anxiety of the men who are bearing the added burdens at home.

The Security Life Insurance Company of Canada, which issues only "all guaranteed policies," is issuing direct to insurers a special protection policy intended to serve the present war-time need. At age 35 the annual premium for $5,000 is only $52.00.

"Just my measure," said a well-known business man of this plan. He took the limit.

Write, stating age last birthday, for full particulars.

The Security Life Insurance Company of Canada
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CANADA'S PART IN FUTURE OF WEST INDIES

British Writer Sees Trend of Events Favoring Union.

FEDERATION IS ALTERNATIVE

Attention is Called to the Importance of the Race Problem and the Necessity for Handling it Intelligently.

By T. H. MACDERMOT,
In "United Empire," the Royal Colonial Institute Journal.

Attention is being drawn at this time of moulding and remoulding plans to the suggested union of the British West Indian Islands to the Dominion of Canada. It is tolerably clear that the future of these islands must lie in this direction, or in the direction of federating them, with a central administration and under a Governor-General, and so constituting them a new Dominion.

One or other of these plans is a vital and urgent necessity for the development of these valuable though not prominent portions of the Empire, for the chief defect in their present condition is that each of the British West Indies stands so apart from and unconnected with its sister colonies. There is a lack of inter-communication, of inter-trade, and, as a result, a lack of mutual understanding and a sympathy that can only be said to exist potentially. Each colony pursues its own trade and taxation purposes without idea of mutual adjustment, and in each colony the machinery and paraphernalia of administration are erected as a separate entity, of course at separate expense. To my mind, internal federation would most fully preserve for the British West Indies historic sequence of development, and be the most satisfactory expression of the distinctive individuality which should properly appear in colonies which, as in this group, are marked out by social, racial and psychological conditions differing in a pronounced manner from those elsewhere. It may fairly be argued, however, that the economic and industrial future of the islands could be better looked after if they are attached to Canada. Those, therefore, who think as I do will be prepared to support this latter solution of the problem if they are fully satisfied that certain important and indeed vital facts and principles are embodied in the system of incorporation adopted.

A Color Problem.

Of these the master fact is that the population in these islands is, in an immense proportion, black or colored, and only in a very minor proportion white. In Jamaica, for instance, the figures are roughtly 15,000 whites, 150,000 colored, and nearly 800,000 black. It is of still more importance to realize that the black man in the British West Indies is now sending forth his sons and daughters with developed educational and social sensibilities that place them on a level with grades where in former days, as a matter of course, the only representatives were white men and women. Apart from that class-prejudice and friction which no community escapes, by a rightminded recognition of merit and ability on one side and a general feeling of loyalty and confidence on the other, and by laws that countenance no distinctions, color prejudice in the British West Indies is now surely, if slowly, being forced out of being. It is vital that any organic change in administration should be such as will help forward this trend and not force it back in the direction of the color outlook in the United States.

Need of Educational Facilities.

A kindred need is to have within the British Empire and within reach of the British West Indian, colored, black and white, sufficiently comprehensive and well-equipped educational and industrial institutions to provide training and education — general, professional and technical. For this the British West Indian, particularly the colored and black, must now go almost exclusively to the United States to such centres as Tuskegee, Hampton and Howard University, etc. In any real and comprehensive development of the sugar industry here, as Mr. Lamont has pointed out most cogently and convincingly, we must have training centres that are British, to provide the technical staff required to run the factories and plantations on an up-to-date scale. The need is as real and insistent in directions other than that of the sugar industry. As things stand, the young West Indian goes to the United States, and, while receiving his intellectual training, imbibes, in too many cases, a spirit alien to British ideals, especially as regards the attitude on the color question in his own land, as stated above.

If, then, the British West Indies did become an annex of Canada, it would be incumbent on those who provide for the union to secure such centres either in Canada or in the West Indies themselves. In the latter they might possibly be built up on nuclei already in existence at the Mico Training College, or the Jamaica College in Jamaica, or at Codrington College, Barbadoes.

Space does not permit me to enlarge on these two points, or to add others of a like kind, so I conclude by repeating the conviction, not of myself only, but of all thoughtful men who know the facts, that these points are of commanding importance in arranging the future of the British West Indies. The Imperial Government will not allow, nor are the best elements in the West Indies and in Canada likely to support and press deliberately, any plan that does not win the sympathy of a fair majority of that colored portion of the West Indian population which is year by year, and in ever increasing numbers, sending its sons and daughters up into the higher educational and social circles to become worthy citizens of the British Empire.

WORLD SUGAR MARKETS.

United States Has Greatest Consuming Demand.

The United States is the world's greatest consumer of sugar, despite the fact that the per capita consumption has decreased about 10% as the result of the high prices. A compilation of The National City Bank of New York shows that the consumption of sugar in the United States for the fiscal year 1917 was but 82 lbs. per capita against 89 lbs. in 1914 (the year preceding the war). The total quantity consumed in 1917 was, however, 8½ billion lbs., and we also exported 1¼ billion lbs., or twenty-five times as much as in the year before the war.

The bank's compilation shows that the world's sugar production is now about 12% below that of the year preceding the war. Beet sugar production in Europe has fallen 43%, but cane production in the tropics has increased about 25%. The beet sugar of Europe, which was 18½ billion lbs. in the sugar year 1912-13, was but 10½ billion lbs. in 1916-17, and the world cane production, which was a little more than 20 billion lbs. in 1912-13, was over 25 billion lbs. in 1916-17; world production of cane and beet sugar in 1913-14 was 42 billion lbs.; in 1916-17, 37 billion lbs. Beets produced one-half of the world's sugar prior to the war, but in 1916-17 supplied only one-third of the world's total.

In the United States and its island possessions there has been a rapid increase in production. In every one of the sugar areas under the American flag—Porto Rico, Hawaii, the Philippines, and the cane and beet fields of continental United States—there has been a marked increase, the aggregate product of these areas having grown from about 4 billion lbs. in 1912-13 to practically 5 billion lbs. in 1916-17. The share of our consumption drawn from foreign countries has fallen from 75% in 1897 (twenty years ago) to 48% in 1917.

AUTOS AND WAR.

Passenger Car Output To Be Reduced To Meet War Needs.

The conference in Washington between the War Industries Board and representatives of the automobile industry was only a get-together-meeting, but had the definite result of deciding on a reduction in the passenger car output of the United States and the use of the excess facilities of the automobile companies for the manufacture of munitions, gun carriages, aeroplane parts, and other products needed in the prosecution of the war. Just what percentage of decrease in the production of passenger automobiles will be effected has not been decided, but press dispatches quoting the figure at 75% are inaccurate. This year the companies are turning out about 1,500,000 passenger automobiles, and a cut of 25% or 35% is not unlikely.

It was decided that a committee be appointed, probably of five men, representing the automobile industry to hold conferences with the War Industries Board and work for the coordination of the automobile industry with the needs of the Government. This committee will be appointed by the National Automobile Chamber of Commerce, the official organization of the automobile manufacturers of the country, and not by the War Industries Board as was reported from Washington. This committee working in conjunction with the War Industries Board will decide on the apportionment of passenger car production and of war business among the manufacturers.

The London Prize Court has condemned wool valued at $700,000, consigned to Sweden from Buenos Ayres, on the ground that it is contraband, destined for Germany. Intercepted documents disclosed a plot to forward the consignments to Germany.

PRIME CAUSE OF RISE IN BAR SILVER

Due to Great Increase in Exports of Commodities by India and China.

PAYMENT MADE IN SILVER

World Production of Silver Unable To Keep Up With the Trade Demands of These Eastern Countries.

A lucid explanation of the forces which were at work during the past few months on the price of bar silver is given by Edward Brush, vice-president in charge of the silver operations of the American Smelting & Refining Company. Writing in "Forbes' Magazine," Mr. Brush says:—

The supply of silver comes very largely from the United States and Mexico. For a number of years preceding the Mexican revolution the production of silver in Mexico exceeded that in the United States, but the disturbed conditions have seriously curtailed Mexico's production, and at the present time it is not over fifty per cent. of the normal. Production in the United States has somewhat increased, but not nearly sufficient to make up for Mexico's decrease.

Whether or not the abnormal prices will greatly increase Mexico's output it problematical, but economic reasons will at least force out a production that would not be forced out at the price prevailing several months ago. Economic reasons, however, do not have free reign in Mexico, as it is next to impossible to obtain the necessary transportation facilities for taking ore from mines to smelters and from smelters to refineries in this country. No doubt present prices will increase the supply of silver in time, but mines cannot be opened in a day, neither can mines which are open usually increase their output without much preparation and considerable time.

It does not seem wise, therefore, to expect any considerable increase of supplies before next spring.

Demand Larger.

Along with the decreased supply has come a marked increase in the value of exports of commodities from India and China. These two countries normally consume at least three-quarters of all the production of silver that comes upon the world's markets. Last year, when the value of wheat exported from India, the value of silks exported from China, and, in fact, of all exports from these two countries, was around one hundred per cent. higher than normal, the balance of trade in favor of India and China was so increased that the shipment of gold became burdensome. It has been the policy of Great Britain to discourage the importation of silver into India for many years, and to encourage the consumption of gold. The danger of this has been pointed out to England many times by Sir Morton Frewen, who has made an earnest study of this subject.

Finally the English Government could not longer stand up under the pressure for gold, and they prohibited the importation of gold into India and discouraged, through their control of the large exchange banks in China, the importation of gold even into China. But this was like damming up a river; it can be dammed for a certain length of time, but eventually the water will run over. The prohibiting of the importing of gold into India and China simply resulted in the end in increasing abnormally the demand for silver, as something must be paid to these countries to cancel their trade balances.

Last year India was able, through the rise in price from eighty to eighty-five cents an ounce, to gather up many millions of ounces of silver from China and the old unused coins of the Philippines, and thus to import approximately sixty million ounces of silver that was not the production of the mines of the world during the year 1916.

As soon as these accumulated sources of silver were used up and the world was thrown back upon the production of the mines it became necessary to increase either the supply or the price so that one ounce of silver would do the work of two ounces in settling the balance of trade. When silver was 55 cents an ounce and wheat was $1.10 a bushel, two ounces of silver would settle for one bushel of wheat shipped from India. When wheat became $2.20 a bushel it either took four ounces of silver, at fifty-five cents an ounce, to settle, or if silver could be made worth $1.10 an ounce, then, as previously, two ounces of silver settled for a bushel of wheat. And that is exactly what has happened and will continue to happen until there again becomes a surplus of silver through increased production or a decreased demand through a reduction of the value of exports from India and China.

There are many other influences affecting both production and consumption of silver, such as, in the one case, strikes, and, in the other case, the increased amount of small coin needed for both the European and American armies, but all of these causes are minor, not commanding, features.

Of course it is a temptation always to look into the future. In the old days, when silver was in the clutches of politics, the prophets regarding silver had a very hard time of it and were killed off until no one cared to predict. At the present time it may be quite as useless to endeavor to prognosticate as to what is likely to happen. The facts are, however, that the demand is in excess of the production, and that this has continued for the past two years.

The accumulated supplies of silver which could be obtained seem to have been wiped out, with one exception—namely, the silver dollars in the treasury of the United States. That is the one reservoir now that can be tapped, and that can only be tapped with silver at $1.30 an ounce, and not at a lower price. It has been suggested that dollars could be shipped by the United States Government at the present time to India in place of gold, but this, it is well known, could not be done without congressional action. Probably it would be easier to put silver to $1.30 an ounce than it would be to obtain the passage of a congressional act which would warrant the United States Government in shipping dollars at a loss.

U. S. STEEL REPORT.

Common Stock Dividend for Quarter More Than Twice Earned.

The chief significance attaching to the quarterly statement of the U. S. Steel Corporation for the three months ended Sept. 30 last was that the corporation was able to set aside nearly half the profits for excess war and income taxes and show a balance of $21,824,554 after all taxes, charges, dividends, including the 3 per cent. extra dividend on the common. The balance applicable to the common stock dividend, $43,427,410, was equivalent to 8.54 per cent. on the common stock, or at the annual rate of 34.16 per cent., compared with 49.24 per cent. for the previous quarter.

The next most significant feature of the report is found in the earnings statement of the corporation by months. For July they were $22,760,668, August $23,760,668 and September $21,934,391. Compared with March quarter's results of $36,074,425, $33,416,171 and $43,630,422, and June quarter's results of $28,521,091, $30,773,551 and $31,284,562, they show a sharp falling off, which is the direct result of our entrance into the war and the fall in the prices of steel manufactures as well as the shrinkage in domestic consumption.

SHIPBUILDING IN JAPAN.

Great Progress Being Made in New Industry in Eastern Empire.

We have from time to time given details of the great expansion in shipbuilding enterprises in the United States and Canada to which the war's necessities have given birth. It is not, perhaps, so well known—the fault is that of the censorship—that the efforts of our Japanse Allies to help us and themselves would be comparable in rate of expansion with those of the Americans and Canadians were shipbuilding materials available, says *The Statist*. Before the war Japan had no more than seven yards in which ocean-going ships could be built. Now they have about 30. If our Eastern Allies had enough steel they could build 600,000 gross tons of shipping a year, or more than the United States built two years ago. But though they now have the yards and the slips, they have not the steel. Even the ships now in the yards, awaiting completion—some 200,000 gross tons—cannot be gone on with because the supplies of steel from the United States were stopped when America started business for herself as a super-shipbuilder. Japan herself does not produce more than enough of steel plates, frames, and so on to build more than 70,000 or 80,000 tons a year, and even after allowing for the expansion in iron and steel works which is going on, she cannot, at any early date, become self-supporting to the extent of more than 100,000 gross tons of new shipping a year. That is a figure very far short of her shipbuilding equipment of some 600,000 tons a year. Our contemporary, the *Japan Weekly Chronicle*—from whose issue of August 23rd we take these figures—explains that the Japanese Government is doing its utmost to promote new iron and steel-making enterprises, but adds, sadly, that the country "is in a pitiable condition as considered from the standpoint of supplies of shipbuilding materials."

U. S. SHIPBUILDING.

Progress Being Made on the Wooden Vessel Program.

Chairman Edward N. Hurley, of the United States Shipping Board, announces that work on the wooden ship program is progressing as rapidly as possible. In an effort to develop and bring into action all the resources of the steel shipbuilding yards, so as to get all the ships that will be available in the shortest possible time, the members of the Atlantic Coast Steel Shipbuilders' Association met here this morning at the request of Chairman Hurley to discuss a plan of action. The outstanding fact of the conference, said Mr. Hurley, is that of co-operation on a plan for the early completion of ships which at the present time are so greatly needed.

Owing to the present situation in Italy, Mr. Hurley also announced, preference will be given the Italian Government in regard to relief ships and the work will be pushed in order that it may have these ships as soon as possible.

Chairman Hurley has been informed that there is a lack of labor in some of the shipyards and he is now endeavoring to assist the yards in overcoming this deficiency.

BIG BUSINESS AND ITS PART IN GREAT WAR

Industrial Combinations Are Proving of Vast Service.

OVERCOMING PREJUDICES

Industrial Combinations by Proving Themselves Efficient Factors in Hour of Nation's Need Should Gain in Popularity.

By WALTER E. CLARK,
Head of the Department of Political Science of the College of New York.

In the reorganization of the nation to meet war needs there is emerging a new appreciation of giant industrial units developed during the last thirty years. The wide integration and combination of industry which has gone on in what is sometimes called "the trust movement" has unwittingly prepared this country swiftly to arm and equip itself to do an effective nation's part in this world war. No single part of our wide national development during the past generation has contributed more to our essential preparedness. To-day, for the building of ships of commerce and of war, for the supply of arms and of foodstuffs in transportable form, our Government is turning to our centralized industries and is getting immediate responses on large scale.

Hostility in the United States toward big business has been slowly passing during this decade. Trust smashing is no longer the generally lauded chief indoor sport of national legislators. New Jersey's Legislature has just recently rescinded nearly all of the Seven Sisters laws of 1913. The Webb bill has received sympathetic consideration and seems likely to pass as soon as Congress can turn to domestic affairs. This bill recognizes the high desirability of centralized management for the purposes of conducting foreign trade affairs and purposes to exempt from the anti-trust laws of the land associations formed to conduct such trade.

Perhaps the object lessons to be taught in these war years by the great and continuous assistance the Government will receive from big business organizations may complete the conversion of the whole American people from hostility to centralized industry at least to toleration of it—possibly even to advocacy of it. A running review of the trust story as it has unfolded in this land since the early eighties shows that such a conversion is devoutly to be desired.

Persistence of Combinations

The leading reason for the development and the persistence of the trust seems to be that it is a desirable product of industrial evolution. From the time the factory came, business capital steadily centralized in the United States. The returns of the census of manufacturers clearly evidence this, especially since 1850, when, for the first time, satisfactory data about manufacture were gathered. A calculation of the averages of the returns from all the thirteen leading industrial lines, for which figures are given since 1850, gives almost startling demonstration of industrial concentration in the United States during the past two generations. Such a calculation shows that in these thirteen leading lines of industry the average manufacturing plant in the sixty years from 1850 to 1910 multiplied its capital by more than thirty-nine, its number of wage earners by nearly seven, and the value of its output by more than nineteen.

The returns are still more impressive when one turns from a consideration of the growth of the average plant to note the rising preponderance of the large plant in the whole range of present manufacturing in the United States. A greater number of small plants exists than ever before, but the relatively small number of large plants is putting out a steadily increasing proportion of the country's whole manufactured product. Plants whose annual output each was above a million dollars in value were only a little more than 1 per cent. of the whole number of manufacturing plants in 1904 and in 1909, yet they produced, in value, in 1904, 38 per cent., and in 1909, nearly 44 per cent., of all the manufactured product. If this same rate of increase has been maintained, huge million-dollar output plants are to-day producing more than half the value output of manufactured goods in this nation.

American manufacturers are seeking the common goal of all human organization, on its productive side, viz., to get given results with less and less cost. The capital of the typical manufacturing plant has been steadily increased since 1800 in this endeavor to cheapen cost of production. The industrial combination which brings many large-scale industrial plants under one control, the combination we have called the trust, appears to be a recently discovered means further to cheapen cost of production. If this can be demonstrated, then trusts will be proved to be not only natural but a desirable product of industrial evolution.

Throughout the last sixty years the cost-cheapening gains through large-scale production have been abundantly proved in American industry. Large-scale plants can specialize in machinery, affording and utilizing the best; they can specialize in labor; they can develop auxiliary industries—the great meat-packing corporations make their own bottles, cans, boxes, etc.; they can manufacture by-products — the Standard Oil Company receives more than half of its imperial revenue from the sale of by-products, made from materials which were waste products forty years ago; they can pay the highest salaries and thus command the highest grade managers, at the same time that their expenditure for superintendency and other overhead charge are much less in proportion to their capital than that of small competitors; they can secure raw material more cheaply; they can get better transportation rates, being large and regular shippers. Such advantages as these any large-scale manufacturing plant has when it it compared with its smaller rivals in a competitive field of industry.

Changing Public Sentiment.

Combination of large-scale plants into a trust gains additional and important cost-cheapening advantages which emerge only through the combination and which, therefore, gives the combination clear advantage as compared with even large-scale independents. Recognition of these advantages seems slowly to be shaping public opinion in America to the end that a reversal of the trust-destroying legislation of the past generation may come within the next few years.

Among the cost-cheapening advantages coming to the trust when contrasted with even a large-scale independent are: Savings in selling costs, in advertising, on cross freights and on bad debts; the assembling of patents, secret processes, brands, and trade marks; the specialization in production of whole plants; the use of comparative accounting, which makes possible productive rivalry between plants, and opportunity to adjust supply to demand.

Noting that the industrial combination has all the advantages of merely large-scale production, since it commonly is formed by the union of the leading large-scale plants, that the combination heigtens some of these large scale production advantages that come in less degree to independents, and that the combination secures such important additional cost-cheapening advantages as those outlined above, the conviction deepens that the trust form of organization in the American manufacturing world is a proved cost-cheapening device. This seems to be economic justification of the trust. The fact that the combination has persisted despite bitter and consistent attacks by law-makers, State and national, indicates that it is an honest cost-cheapener and has come to stay.

Past and Passing Evils

In the course of the development of trusts in the United States, serious evils have appeared, particularly in the form of unfair competitive methods. Such predatory methods of competition as local price discrimination, factors' agreements, and secret railway rebates were used freely in the earlier years of the trusts, though Federal investigations by court and commission show that they have been seldom used during the past decade. Trusts have used and still sometimes use their power to thwart labor organizations. Passing evils, if not wholly past evils of the combination movement, are over capitalization and the corrupt use of influence on legislation and its enforcement.

Aroused by reports of such evil practices and more particularly aroused by the fear that great monopolies were about to seize control of a great part of American industrial life, the American law-makers began their attacks on the trusts in the late eighties of last century.

Freedom has been the American watchword from the founding of the first Colonies. Applied to business, it led to the protests against arbitrary royal interferences with trade which were common in the declarations of the Revolutionary period. It led to solemn Constitutional enactments in some of the earliest State Constitutions against "perpetuities and monopolies," which had been feared and fought by the English forefathers since the days of oppression by the many monopolies granted by Queen Elizabeth. This hereditary anti-monopoly attitude has been firmly maintained by the American mind generally throughout the Republic's history until very recent years, and even now it is only wavering. With reference to public lands, to the National Bank, to the issue of money and to the control of railways, the pages of Congressional and Assembly journals invoke the anti-monoply spirit over and over again.

Imbued, then, as he was, with a certitude that came from consistent generations of popular opposition to monopolies and flushed as he was with the success of the last great fight against the railway monopoly which had culminated with the establishment, in 1887, of the Interstate Commerce Commission, it is not surprising that the American legislator poured forth a new flood of anti-trust legislation as soon as he became aware of the monopolistic tendency of manufacturing concentration.

By the end of the eighties of the last century the large plants of the leading industries were listing their capital in the millions. It needed only that the new trust plan, uniting many large plants into the Standard Oil Trust in 1882, should be followed, in 1887, by the sugar and whisky trusts and that there should be rumors of other combinations in process of formation to conjure again the anti-monopoly genii out of the American legislative bottle.

No political party national platform so much as mentioned industrial trusts before the year 1888, but in that year the platforms of the four leading parties had each a specific declaration against the new business organizations. During 1888, too, bills against trusts were introduced both in many State Legislatures and in Congress.

By 1917 forty-one of the forty-eight States of the United States had either passed anti-trust laws, or had anti-trust provisions in their Constitutions, or both. If the State legislation be taken as the indicator of the American attitude toward trusts, then it must be said that the overwhelming majority sentiment of the people is against the existence of these large industrial combinations.

New Jersey Modifies Laws.

Of the slender minority of seven States which have neither Constitutional nor statutory provisions against trusts, New Jersey was the most conspicuous until, in 1913, it also enacted the rigid anti-trust laws which it has recently modified. Until 1913 New Jersey remained true to the deliberate policy of her people that law makers should deal with corporations as they dealt with individuals, on the assumption that it was desirable to foster the development of business within the State. The result was that unbroken concentration of business capital through combination continued during the twenty-five years after 1888 despite general hostility of State legislation to such combinations.

Federal anti-trust legislation came first with the enactment of the so-called Sherman Anti-Trust Act of July 2, 1890. Its leading provisions declare to be illegal any combinations which restrict inter-state trade and which monopolize or tend to monopolize inter-state trade. Only legislation of minor effeet on the trust policy of the United States was added between 1890 and 1914. Clearly the most consequential act of Congress relative to trusts in the first twenty-four years after the Sherman Act was the Act of 1903, establishing the Federal Bureau of Corporations, which has investigated and reported upon leading manufacturing industries of the United States largely under combination control.

In 1914 the policy of the Sherman Act was further strengthened by the passage of the Federal Trade Commission Act and the Clayton Anti-Trust Act. Their leading additions make illegal unfair competition and acquisition of stock of one corporation by another if thereby competition is substantially lessened between the two corporations.

The Federal Trade Commission is a broadly empowered Federal administrative agent to deal with great industrial corporations which do business beyond the borders of a single State. Such an agent is indispensable if the difficult trust problems of the United States are to be solved scientifically. The Bureau of Corporations was a forerunner which demonstrated the high value of official expert determination of the facts about trusts. The Federal Trade Commission is the fully developed fact-finding (it now includes the Bureau of Corporations) and administrative body, all too slowly evolved through the urgent necessities of the situation.

In the two years since its organization in March, 1915, the Federal Trade Commission has emphasized its powers of service to industry rather than its trust-detecting and trust-smashing powers. Its friendly attitude was in evidence in its conferences with various fertilizer companies whereby it induced them to abandon their common practice of maintaining controlled companies as apparent independents, in its published suggestions of proper accounting systems for retail merchants and for manufacturers, in its reports on the trade and tariffs of six South American countries, and in its admirable two-volume "Report on Co-operation in Export Trade," which is a detailed investigation of the "competitive conditions affecting Americans in international trade." In this latter report the commission urges that Congress enact legislation permitting great combinations to carry on foreign trade. The Webb bill embodies this policy, and, if enacted, it will be the first breach in the consistent anti-combination legislation of Congress since it began to deal with trusts.

The net result of over a quarter century of trust prosecution by the Federal courts construing and applying those laws has been the collection of less than $600,000 in fines, a few mild confinement sentences, occasional grants of injunction, and, particularly since 1911, some actual dissolutions of giant combinations. More important than these particular penalties has been the development of a general understanding, in the business world, that the Government will prosecute and that the courts will penalize if the anti-trust law is violated. This understanding has doubtless prevented the formation of combinations which would have been in peril of the law, and it has certainly aided in lessening the use of predatory competitive methods by big business.

The Federal trust legislation to date has attempted to secure by law a fair field, free from unfair competitive methods. It has created a commission with wide powers of investigation, publicity, and control—a commission whose powers could be widened readily to cover the whole needful field of social industrial control if national monopoly came and was acknowledged and accepted. The serious error in the national legislation, to date, from the standpoint of a sound economic program, is due to traditional blind fear of monopoly. This has led to attempts to legislate out of existence and to prevent centralizations of industrial control where they even tend to monopoly.

This persistent fear of monopoly and attempt to prevent or to destroy monopoly is the source of much difficulty in dealing with great industry. The normal development of much of manufacturing industry in the United States seems to be unmistakably in the direction of giant industry if not of complete monopoly. To legislate in opposition to a normal tendency of industry is sure to make the resulting legislation difficult if not impossible to enforce. If the nation would take the further step of creating an open field for full industrial development, as it has already made ready to secure a fair field, free from predatory competition, and if it would do this both as to railways and as to industrial trusts, the whole great matters of control of the nation's huger productive energies would be much simplified.

The Federal Trade Commission is seeking to help rather than to hinder, threaten, or punish business development, but it is hampered by the anti-combination mandates of the law. If these were elided then law makers, courts, and administrative commissions at present engaged in the uninspiring and costly business of trying to thwart or defeat great industrial growth would all thereby be set free to do the stimulating progressive work of guiding and directing the nation's great energies to their utmost achievements.

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Capital Authorized - $5,000,000.00
Capital Paid Up - - $2,453,995.83
Assets - - - - - - - $3,527,985.91

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A matter of extreme importance in the turning out of these shells for the American Government is production on time. The report of the manager of a company that has been in close touch with Washington thus sums up the situation for the average Canadian plant: "The Canadian manufacturer can get all the 3-inch high explosive shell orders from the United States that he can undertake; they will insist on deliveries right to the day; and the only basis for orders will be past performances."

Financial Post, Nov. 10, 1917

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Was the manufacturer who recognized this fully ever anything else but successful?

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The value of time—good, solid working time that you, Mr. Employer of labor, have paid for is something we have been insisting upon day in and day out for years. Until the great "Time Leak" in the workshop is plugged our production will never reach its maximum.

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a tremendous success is but a tribute to our appreciation of the value of time—for THEY will help shorten the war.

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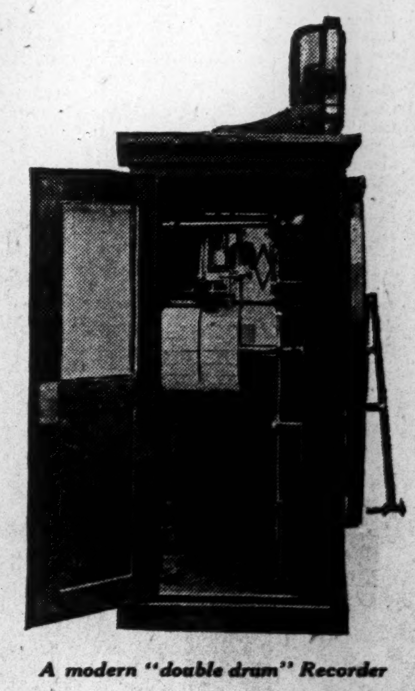

A modern "double drum" Recorder

HOW TORONTO ANSWERED

The British Red Cross Call

City of Toronto **"British Red Cross Appeal"** **October Campaign, 1917**

GRAND TOTAL, $830,191.66

STATEMENT OF SUBSCRIPTIONS, NOVEMBER 1ST, 1917

TEAM TOTALS FOR THE FOUR DAYS OF CAMPAIGN

A. R. Auld	$42,931.60
Robert A. Baker	23,468.55
C. L. Burton, Robt. Simpson employees	4,318.54
Sir Robert Falconer, University of Toronto	4,564.00
Dr. Goggin	2,945.63
W. E. Greig	35,843.50
C. V. Harding	43,622.01
D. L. McCarthy, K.C.	40,290.60
T. G. McConkey	40,640.30
The T. Eaton Co., Ltd., employes	20,127.60
Con. John O'Neill	5,700.00
Thos. Roden	32,644.00
Frank A. Rolph	37,257.21
J. Allan Ross	100,487.02
S. Samuel	31,748.75
Mr. Justice Sutherland	20,160.10
C. W. I. Woodland	53,666.53
Contributions of employees of Toronto firms, collected by "The Rotary Club"	94,261.58
City of Toronto	125,000.00
Auction sale of sundry articles donated	2,855.60
Sundry subscriptions	4,097.95

Women's Committee

Schools	$25,283.35	
Churches	19,127.31	
Street collection, Salvation Army	1,392.51	
Women's Desk at Headquarters, including street collection of the "Experience Company"	13,251.42	
Municipal Chapter, I.O.D.E.	3,986.00	
Westminster Chapter, A.O.D.E., Cleveland, Ohio	500.00	
		$63,540.59

Total to date, with subscriptions still being received at 23 Jordan Street....

$830,191.66

The above statement is published by the Campaign and Finance Committees, composed of the following gentlemen:

Sir Edmund Walker	T. Bradshaw	Norman Sommerville
Colonel Noel Marshall	J. E. Atkinson	A. L. Whitelaw
Colonel W. S. Dinnick	Kenneth J. Dunstan	H. H. Williams

WHAT THE CHURCHES DID

ANGLICAN.

St. Jude's	$	66.54
Church of the Redeemer		536.22
St. Aidan's		83.00
Christ Church		317.52
St. Peter's		214.72
Holy Trinity		79.00
Church of the Epiphany		93.50
St. Cyprian's		26.00
Church of the Messiah		117.25
St. Michael's All Angels		41.00
All Saints'		231.25
St. Matthew's		66.75
St. Luke's		55.50
St. Monica's		55.00
St. Paul's		1,279.85
St. Clement's (Eglinton)		130.26
St. Anne's		223.74
St. Thomas		1,165.00
St. Edmund's		112.27
All Hallows		15.40
St. Mark's (Parkdale)		112.86
St. Matthias'		52.72
St. Mary the Virgin		86.20
St. James' Cathedral		597.90
St. Chad's		23.00
St. Barnabas' (Halton Street)		22.26
Trinity East		171.31
St. Alban's		303.00
St. Augustine's		35.00
St. Philip's		16.10
St. Clement's (Riverdale)		67.00
Grace Church		39.00
St. George's		124.25
St. Simon's		3,271.58
Calvary		50.75
St. Mark's (West Toronto)		21.50
St. Stephen's		227.00
		$10,031.20

METHODIST.

Sherbourne Street	$	842.00
Broadway Tabernacle		500.08
St. Paul's		287.47
Metropolitan		823.88
Birchcliff Heights		18.50
Queen Street		203.70
Westmoreland		38.74
King Street East		36.12
Danforth Avenue		65.27
North Parkdale		112.20
St. Clair Avenue		64.00
Trinity		200.75
Central		121.25
Centennial		117.05
Bathurst Street		73.10
Simpson Avenue		36.52
High Park Avenue		100.75
Carlton Street		37.00
Wesley		85.00
Parliament Street		20.66
Clinton Street		24.05
Elm Street		11.75
Woodgreen		9.50
Bellefaire		81.85
Carmen		36.50
Methodist Deaconess' Home		32.55
		$3,980.24

PRESBYTERIAN

Emmanuel	$	59.00
Victoria (West Toronto)		85.00
Bloor Street		263.25
Bonar		122.25
St. Andrew's (King St. West)		54.00
St. Paul's		75.25
St. Enoch's		27.07
Chalmers		73.30
Rosedale		162.61
St. Giles		90.00
Deer Park		173.08
Davenport		58.80
College Street		322.00
West Presbyterian		187.47
Knox		108.66
Grosvenor		28.75
Cowan		139.25
Avenue Road		245.00
Riverdale		12.35
High Park		176.93
Westminster		272.80
Dale Church Boys' Brotherhood		5.00
Oakwood		12.15
		$2,703.96

BAPTIST.

Jarvis Street	$	105.43
Rhodes Avenue		17.05
Beverley Street		7.50
Pape Avenue		21.60
Waverley Road		90.25
Olivet		3.00
First Avenue		19.50
Century		40.15
College Street		18.00
Bloor Street		383.88
Christie Street		47.46
		$753.82

ROMAN CATHOLIC.

Holy Rosary	$	140.51
Holy Family		62.00
St. Helen's		63.73
St. Joseph's		54.00
St. Peter's		53.00
St. Michael's		5.00
Lady of Lourdes		111.57
Francis		17.35
Paul's		2.50
		$509.66

JEWISH SYNAGOGUES.

Holy Blossom	$	118.36
Central		1.15
Chestnut Street		25.00
University Avenue		20.00
Parkdale		27.85
		$192.36

CONGREGATIONAL.

Bond Street	$	75.15
Northern		60.10
Olivet		125.87
		$261.12

LUTHERAN.

St. John's	$	5.25
		$5.25

OTHER CHURCHES AND MISSIONS.

Salvation Army	$	1,392.51
Fred Victor Mission		14.12
Church of New Jerusalem		42.75
Bethel Mission		36.00
Grace Evangelical Association		28.25
Church of the New Jerusalem		67.07
First Unitarian Church		60.00
Fern Avenue Church of Christ		20.85
Claremont Mission		3.70
Keele Street Church of Christ		17.55
No Name		9.71
		$1,692.51
Rosary Hall Association	$	275.00
Ladies' Auxiliary Stands		10.25
		$1,977.76

In addition to this total the Orthodox Bulgarian Church has sent in $150.00, collected from the congregation.

The Campaign Committee of the British Red Cross, Toronto Appeal, desires to congratulate the citizens of Toronto on their noble response to the request from overseas. The loyal men and women who were associated with the campaign will feel amply repaid for their efforts by the knowledge that it was work well done for a worthy cause—a cause which, regardless of sacrifice, must triumph.

HOW THE CHILDREN ANSWERED

School		Amount
Alexander Muir	$	88.50
Allen		7.53
Annette Street		286.38
Balmy Beach		34.36
Bedford Park		29.78
Bishop Strachan		256.00
Bolton Avenue		171.75
Branksome Hall		266.00
Brant Street		9.55
Brock Avenue		114.86
Brown		1,864.12
Burford School		6.30
Carlton		115.00
Church Street		98.55
Central Technical		201.05
Clinton Street		124.55
Coleman Avenue		7.38
Cottingham Street		40.00
Davisville		28.00
Deer Park		250.00
De La Salle Collegiate		128.50
Dewson Street		181.01
Dovercourt		56.35
Dufferin		960.06
Duke of Connaught		35.00
Duke Street		226.00
Earl Grey		144.17

School	Amount
Earlscourt	57.50
Eglinton Avenue	85.00
Essex Street	200.00
Fern Avenue	324.30
Frankland	206.24
George Street	106.97
Givens Street	73.76
Gledhill Avenue	30.46
Glen Mawr	68.18
Grace Street	74.74
Harbord Collegiate	270.58
Havergal College	486.00
Hester How	30.77
High School of Commerce	130.00
Hillcrest	84.00
Hodgson	25.00
Holy Family	39.53
Holy Name	32.10
Howard	300.04
Hughes	73.75
Humberside Collegiate and Teachers	410.52
Humewood Avenue	73.35
Huron Street	236.26
Island	2.50
Jarvis St. Collegiate	246.33
Jesse Ketchum	92.00
John Fisher	53.84

School	Amount
Keele Street	152.26
Kent	530.00
Kew Beach	52.00
Kimberley Street	24.86
King Edward	148.00
Kitchener	41.17
Lansdowne	185.85
Lee	15.00
Leslie Street	147.75
Loretto Abbey	65.00
McCaul	148.00
McMurrich	200.00
Malvern Ave. College	77.32
Manning Avenue	44.00
Model and Normal	301.28
Morse Street	78.09
Moulton College	82.75
Niagara Street	58.68
New Church	10.02
North Toronto High School and Teachers	26.67
Norway	74.60
Oakwood Collegiate and Teachers	428.59
Ogden	43.59
Orde Street	14.00
Our Lady of Lourdes	65.60
Palmerston Avenue	200.61

School	Amount
Pape Avenue	90.82
Park	66.00
Parkdale	71.89
Parkdale Collegiate and Teachers	280.30
Pauline Avenue	47.80
Perth Avenue	175.00
Pyne	15.33
Queen Alexandria	124.67
Queen Victoria	225.00
Regal Road	50.25
Riverdale Collegiate	179.34
Roden	23.95
Rose Avenue	108.81
Rosedale	171.70
Runnymede	32.87
Ryerson	220.23
Sackville Street	25.00
Shirley Street	32.49
Spadina Heights	21.33
St. Ann's	27.61
St. Anthony's	36.50
St. Cecilia's	25.29
St. Clair Avenue	18.78
St. Clare	62.18
St. Frances'	47.00
St. Helen's	64.00
St. James'	25.06

School	Amount
St. John's	25.00
St. Joseph's High School	41.25
St. Joseph's College	71.17
St. Joseph's School	32.34
St. Margaret's College	153.00
St. Michael's	41.25
St. Mildred's	63.30
St. Monica's	37.00
St. Patrick's	47.23
St. Paul's	56.59
St. Peter's	27.92
Strathcona	100.00
University Schools	335.00
Upper Canada College	275.00
Victoria Street	14.79
Wellesley Street	50.00
Western Avenue	66.90
Wilkinson	117.80
Westminster College	41.75
Williamson Road	800.00
Winchester Street	115.00
Withrow Avenue	133.52
York Street	42.39
Teachers' Association	6,709.98
Miscellaneous	200.00

LABOR'S PART

(Through the Rotary Club the Workers of the City Factories Contributed 20,000 Subscriptions)

District	Captain	Number of factories Subscribing	Average	Amount
No. 1	Kellam	58	44.53	$ 2,583.08
No. 2	Morton	215	17.42	3,745.45
No. 3	Clarke	196	26.14	5,124.50
No. 4	Owens	142	45.36	6,442.31
No. 5	Hodgman	614	17.56	10,784.39
No. 6	Bee	190	16.48	2,941.90
No. 8	Stockwell	156	27.33	4,264.00
No. 9	Morrow	377	19.18	7,233.82
No. 10	Williams	235	23.01	5,408.67
No. 11	Langton	215	19.84	4,267.25
No. 12	McCausland	490	30.29	14,841.06
No. 13	Armstrong	147	24.98	3,671.95
No. 14	Erskine	404	30.49	12,319.85
No. 15	Fowler	193	38.49	7,428.95
No. 16	Glendenning	122	26.26	3,204.40
	Total	3,754	25.11	$94,261.58